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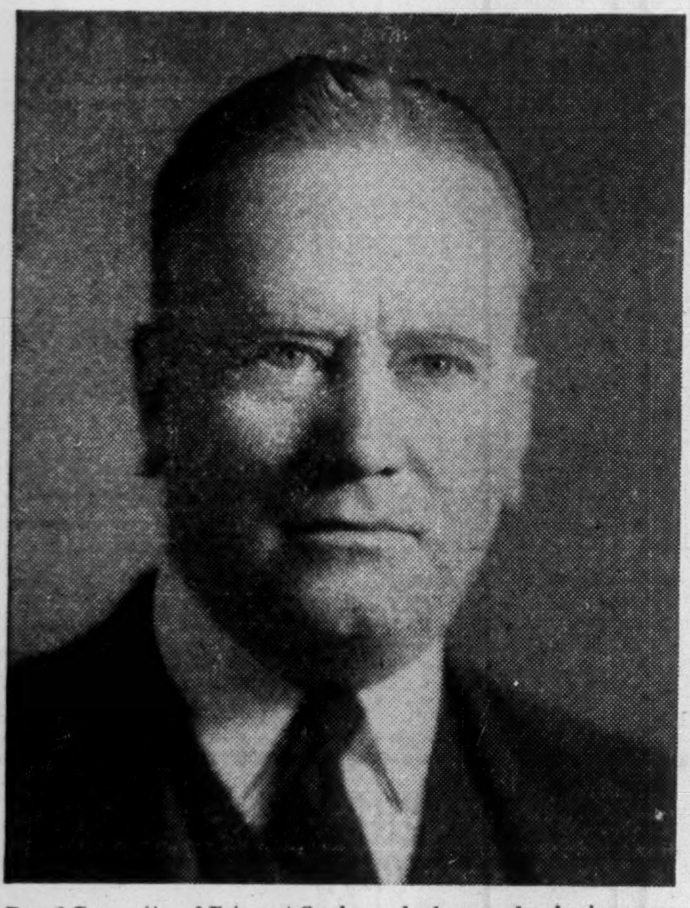
Heads Lumbermen



Raoul Guerrette, of Estcourt Quebec, who began a lumbering career at the age of 16, and who today heads three lumbering concerns, has been elected president of the Canadian Lumbermen's Association. He is also a life member and director of the Quebec Forestry Association, and a director of the Quebec Lumbermen's Accident Prevention Association. His father, Olivier Guerrette, is still active in the lumber business at 84.

THE NATION'S BUSINESS

Supreme Court Jolts Income Tax Powers

Star chamber tactics of the income tax authorities received a well deserved jolt in the four-to-one Supreme Court decision upholding the appeal of Wright Canadian Ropes Ltd. This significant award, reversing a decision of the Exchequer Court, is reported elsewhere on this page. It sharply challenges the sweeping discretionary powers of tax officials exercised in the name of the minister of national revenue. In no uncertain language it condemns the common practice of tax authorities in witholding reasons for their rulings.

The company had an arrangement under which it was to pay 5% commission on all wire rope it produced to a British firm. These commissions ran from $17,000 to $39,000 a year. Income tax officials ruled that these were not chargeable as a cost of doing business; said $7,500 was adequate.

"Purely arbitrary" was the comment of one Supreme Court judge. Another said "the disallowance can only have been based on unreasonableness."

Also roundly condemned was the refusal of the authorities to disclose an interdepartmental report dealing specifically with the case. As a result of this, the company could only guess at the official "reasons" as to why its claims had been slashed.

Canadians and Canadian companies are getting ominously irritated with the high handed operation of our hopelessly outdated income tax machinery. They dislike the brusque "pay this or else" attitude prevalent in so much of the routine tax correspondence and throughout the multitude of official forms. They dislike being told that they are almost always wrong, the officials almost always right. And above all they dislike these rough and ready rulings, from the clerk at the counter up to the minister himself, which are handed out as final and with which no reasons are given. They will hope that this Supreme Court decision will help bring an end to attempts of the income tax authorities to play the combined role of policeman, judge and jury.

Designed almost 30 years ago, the Income Tax Act has grown like an unpruned tree. Amendment has been piled on amendment, discretionary powers have multiplied, until today we have a piece of legislation that few, if any, people understand.

The result is that the average taxpayer never knows where he stands; whether he has overpaid or is liable on income earned and spent years ago.

The present situation is intolerable and cries for immediate and drastic reform.

* * *

Let's Hope This Clears Thinking

Apart entirely from the issues and the people involved, or thought to be involved, in Canada's espionage sensation (those things will be dealt with in the courts) we hope this explosion will result in a lot of people getting their ideas straightened out on the duties and responsibilities of citizenship.

There are a lot of people in Canada who talk and sometimes act as if their real allegiance is to Russia; that the Soviet is their spiritual and intellectual home—and we don't mean only some avowed Communists who are under Moscow orders.

It is this other group we are even more concerned about—those hundreds of the vaguely well-intentioned, the naive sentimentalists, the people who think it is smart and fashionable to praise nearly everything Russian and to condemn nearly everything Canadian. It is this bunch who imperil us all with their inverted and irresponsible sense of citizenship.

Nearly everybody knows from his own acquaintance examples of this woolly-headed tribe. Only some of them would ever be likely to accept money for aiding any foreign power.

Only a few years ago it was these people who led the chorus of protest against what it called the fascist appeasers. Now it is this same bunch which screamingly protests anything **but** appeasement of the Soviet.

Here are some things that have to be got straight. The espionage incident will help in doing so:

1. Moral and physical weakness is not a preventative of war, but, for some powers, an incitement to war. Ernest Bevin's work in recent weeks contributes to peace. The fawnings of our Soviet-lovers do not.

2. Decisions as to what information shall be shared with other powers must be exclusively the prerogative of government. For any individual to defend the doing of favors to another power, no matter whether it be Britain, United States, Russia or anybody else on the ground that he disagrees with government policy, is intolerable presumption.

3. The state has a duty to defend itself against forces within and without conspiring for its weakness and its collapse. Under a variety of banners, some groups and forces within Canada have been, consciously and unconsciously undermining citizen integrity.

Canadian public opinion needs to wipe its spectacles and see clearly the difference between maintaining room on the one hand for those who dissent from and wish to reform public policy and on the other protecting itself against the deliberate or unintentional actions of those who imagine their spiritual and intellectual home is elsewhere.

None of the foregoing has any reference to those involved in the present mess. The courts will look after them. Other people not tangled in this business also need to review their allegiances.

Steel Mills See Danger In Pay Issue

MONTREAL (Staff) — Steel company executives, who have been watching wage-price developments in the U. S. steel industry with close attention, state that any upward adjustment in wages in Canada would have to be accompanied by steel price increases, as present profit margin already is narrow. It is noted that steel and iron prices have been frozen since 1940.

The CIO wage demands in Canada, it is said, would increase wage costs by around 30% for Ontario mills and 40% at Sydney, if granted. The union demand for increase in minimum wages only is misleading, it is contended, for if the wage of the pick-and-shovel man is upped by the amount asked, there would be necessarily a demand for similar upward adjustments for more skilled work. Thus, the amount involved in the union demand is much higher than it might appear superficially, it is said.

Big Issues Incurred

Canadian steel men state that living costs in Canada have not risen to same extent as in the United States, and say that Canadian steel mills generally have made every effort to maintain amicable relationships and understanding between management and workers. The big problem in this connection, it is stated, is the planning of powerful international unionism which cuts right through the industry, ignores local conditions, and is so committed to wide international planning that it is difficult for any individual company or local mill to deal with.

In general, the big iron and steel companies have now readjusted their operations to meet peacetime requirements, and have on their books or in sight enough business for full-out activity over the next year or two—to meet deferred civilian needs.

The way in which present union demands ignore local conditions is instanced by pointing to the fact that the wage increase demand is made uniform, to make wage rates at all major mills alike. In the past, wage rates at Sydney have been lower than in Ontario, because Dominion Steel & Coal has had to pay higher transport costs than central Canada mills, and for the Sydney plant to be able to operate on an economic basis, the lower wage rate has been held necessary.

Three Steel Companies Ask Higher Price Level

OTTAWA (Staff) — Applications for price increases on basic steel items are now before the WPTB, The Financial Post is informed. These come from the three main Canadian producers—Algoma, Dosco and Steel Co. of Canada. There has been no decision as to when they will be acted upon.

Dosco is said to be most concerned. The government subsidy of $3 to $4 per net ton of steel ingots produced has been withdrawn, The Financial Post learns. Since the year-end Dosco has therefore been receiving no direct government aid on its steel production—apart from an emergency grant given a few weeks ago to divert Dosco tonnage to Montreal because of the U. S. steel strike.

Meanwhile union leaders continue to press for substantial wage increases for 13,000 workers in basic Canadian steel plants. Reason given is that the Canadian Government has not accepted union proposals for "liberal and orderly progress" in the easing of wage controls. CCL representations to Ottawa, before the Government's recent wage control order, sought (a) new personnel in the NWLB; (b) free collective bargaining up to 10c. per hour; (c) freedom to negotiate reduction of hours over and above the 10c. working hours; (d) replacing existing wage control formula with a new principle of "treating each case on its merits."

Union leaders allege the Government ignored all these "principles" in amending its wage control order recently. They say there is, therefore "no alternative" but to press for abolition of wage control through demands for a shorter working week and higher wages. Whether such demands will now be made prior to action by WPTB on steel prices is uncertain. Decisions of high policy on all sides are involved.

Officials here state that it is not yet possible to remove export control on steel and to return to conditions as they were before Feb. 2. Canada has lost, to date, an estimated 160,000 tons of steel by reason of the strike. It probably will be another month before lost ground is entirely regained. Presently higher prices on U. S. steel are also likely to make Canadian steel even more attractive and to put a further potential drain on domestic supplies. So long as these factors continue, some screening of exports through the permit system will be continued.

Tie-up Delays Dosco Dividend

MONTREAL (Staff) — Price-wage developments in the U. S. steel industry have created new uncertainties for the steel industry in Canada. Any dividend action by Dominion Steel & Coal Corp. is highly unlikely in the near future therefore, according to informed opinion. Improvement in financial position and present high rate of operations, with probability of continued large sales, had previously led to expectations of dividend payments on the common.

Dominion Steel has arranged for refunding of its $4,408,000 of 6¼% bonds, with resultant important saving in fixed charges. The 6¼% bonds are being redeemed March 1 and are being replaced by a new issue of $4 millions first mortgage 3½% bonds, of which $2.25 millions will mature serially at rate of $225,000 annually from March 1, 1947, to 1956. Remaining $1.75 millions in 15-year sinking fund bonds has been offered and sold at 97 and accrued interest to yield 3.75% by Wood, Gundy & Co.

Supreme Court Wipes Out 'Unreasonable' Tax Ruling

Firms Entitled to Know and to Contest Grounds on Which They Are Assessed, Dominion's Highest Tribunal Rules

By KENNETH R. WILSON

OTTAWA—(Staff)—Out of Canada's Supreme Court within the last few days has come a new income tax decision with far-reaching implications.

A discretionary ruling of income tax officials was "based on unreasonableness," one Supreme Court judge declares.

The decision bears on the contentious question of "discretionary" power of departmental officials. It may force the department to present intra-departmental memoranda in future income tax litigation.

The case in question is that of Wrights' Canadian Ropes, Ltd., vs. Minister of National Revenue. Originally, this company appealed an income tax assessment and took its case to the Exchequer Court. Mr. Justice Cameron of that court dismissed the appeal.

The company took its case to the Supreme Court of Canada. The latter tribunal, by a vote of 4 to 1, reversed the judgment of the lower court, and ordered the assessment sent back to the Income Tax Department for reconsideration.

Say Payments Obligatory

The basis on which company appealed:

1. That commissions paid by the company (disallowed as an expense by Income Tax officials) were an obligation imposed by a valid contract.

2. That the opinion of the Minister was not based on a consideration of the facts.

3. That the opinion of the Minister was unreasonable and was not formulated in accordance with the law.

4. That no opportunity was given to refute any material which might have been laid before the Minister of National Revenue or the Commissioner of Income Tax relative to the said assessment and which might be prejudicial to the interests of the company.

The company does business in Western Canada under an agreement, made in 1935, with a British concern named Wrights' Ropes Ltd. of Birmingham. The Canadian company was to pay the U.K. firm a commission of 5% on all wire rope manufactured and sold by it. The British company agreed to keep out of the western Canada territory; to act as technical advisers; to supply certain trade information; supervise certain sources of supplies, and act as its agent under certain conditions. Evidence disclosed that the British company held 49.86% of the stock of the Canadian company.

Commissions Disallowed

The Canadian company paid the following commissions: 1940—$17,382; 1941 — $29,326; 1942 — $39,481. These commissions were claimed as an expense of doing business; but income tax authorities allowed a flat-rate figure of only $7,500 a year.

In making this assessment, departmental officials invoked Section 6, sub-section 2 of the Income War Tax Act, and corresponding clauses of the EPT act. These permit the Minister to "disallow any expense which he in his discretion may determine to be in excess of what is normal or reasonable for the business carried on by the taxpayer . . ."

The company contended that the Department had ignored or neglected to challenge the validity of the agreement itself. Unless the agreement itself was challenged (which had not been done) it was contended that the company had no option but to pay these sums and that it was within its rights in charging payments so made as an expense.

The evidence on this point also centred around another section of the Income Tax Act, having to do

(Continued on page 4)

See Bacon Cut For U.K. In '46

OTTAWA (Staff)—Announcement is expected shortly of long-term arrangements between Britain and Canada in respect of new contracts for wheat, cheese, bacon, eggs and beef.

It is expected that these will provide "target" figures for an assured British market at least until 1948, at agreed prices; with provision for consideration thereafter by both parties.

Although the new contracts would give Canadian producers assured markets for at least three years, it is doubtful if these "targets" will be achieved.

In bacon, for example, Canadian production has been dropping rapidly. Against shipments last year of 450 million cwt., it is thought unlikely that 1946 will see much more than 300 million cwt. made available to Britain. Whether the rapidly falling curve of Canadian production has now been checked, remains to be seen.

The British would like considerably more than 300 million cwt. (if they could get it) for at least the next two years.

CFRB Challenges CBC Defies Ban on Program

The Canadian Broadcasting Corporation has a new fight on its hands—this time with Rogers Radio Station CFRB, Toronto.

CFRB has recently begun broadcasting a program entitled "Ontario Holiday" designed to promote tourist travel. Sponsor is John Labatt Ltd. The sponsor's name is mentioned only once in each broadcast; there is no reference to the sponsor's product.

CFRB executives have been ordered by CBC executives to take the program off the air. CBC officials say that this program contravenes regulations covering the advertising of beer. Mention of the sponsor's name, they rule, is tantamount to advertising beer.

Harry Sedgwick, CFRB chief and until recently head of Canada's Wartime Information Service in New York, has defied the CBC by continuing the "Ontario Holiday" broadcast despite the CBC ban.

Apparently he plans to continue in his defiance on the ground that present interpretation of the relevant CBC regulation by CBC officials will not stand up under impartial and judicial examination.

The CBC is currently tangling in a second contentious situation—its refusal to carry the Eddie Cantor show in Canada.

Examination of several Cantor shows led senior CBC officials to refuse to sell network time for this show. They felt that at least one of Cantor's associates on the program regularly did a "low burlesque" routine which would be offensive to many listeners and not in the public interest. They point out that as radio operators they have the privilege and responsibility of selecting what business they select for broadcast.

"Undoubtedly our turn-down is being used to exploit the program," one CBC official said to The Financial Post. "Some people will hunt for it on their radio dials because we have ruled it is not the sort of thing which is acceptable to the Canadian radio public as a whole. We still think we did the right thing."

Rank-Odeon Theatre Chain Includes 'Movie Cathedrals'

A nation-wide theatre-building program will soon be announced by the Rank-Odeon theatre enterprises.

Some 15 to 20 new theatres are to be built in the next 18 months, depending on the availability of manpower, materials and equipment. The Montreal and Toronto units will be "movie cathedral" category, the others in the thousand-seat range. One new theatre will be in Ottawa.

Key reason for this program is development of the Rank film-producing enterprises in Britain. Arthur Rank, super-rich, super-energized evangelist for British and for Christian ideas, has built an organization—and backed it with very adequate funds — to challenge the Hollywood film supremacy not only in the old world, but in the North American market. Boss Arthur Rank readily admits a sense of social responsibility in his film making.

A year ago the Rank film operations made a 50-50 deal with Canada's Odeon chain of theatres. This assures Rank at least some exhibition facilities in Canada.

Some $10-$12 millions is estimated to be involved in the present program. A second expansion program is understood to be drafted for future action.

Rank films grossed $40,000 in 1943, $430,000 in 1944 and $4½ millions last year.

The Rank film enterprises are making an arrangement with a leading French film producer to get a supply of French-language films for French-speaking areas in Canada.

To Advise Canada On Reparations

OTTAWA (Staff)—Roy Geddes, formerly Deputy Chairman of WPTB, is going to Germany next week as economic adviser to the Canadian military mission under Major Gen. Maurice Pope.

Mr. Geddes will have the rank of colonel and will represent three government departments: External Affairs, Reconstruction and Supply, Trade and Commerce. He will look after Canada's industrial and economic interests in the field of postwar reparations policy. Important discussions covering this subject have been held here recently.

Spy Ring Discovery Caused King's Rush Trip to London

OTTAWA (Staff) — Speaking of the spy hunt—and who isn't?—here is an important item of "Incidental Intelligence": It now appears that Soviet espionage was almost certainly the reason why Prime Minister King dashed off suddenly to London last September.

It will be recalled that Mr. King left Ottawa very abruptly, almost the minute the Throne Speech debate was concluded. Also, he went via Washington.

The White House has admitted officially that Mr. King discussed this matter personally with President Truman. This has been construed as meaning that the matter was broached when Canadian, U. K. and U. S. delegates met at Washington to discuss atomic power. This meeting was not held until mid-November.

Just before his precipitate departure for London, Mr. King called an urgent cabinet meeting. He was reported then to have discussed the receipt of a most urgent cable from Premier Attlee, bearing on relations with the Soviet.

Whether Mr. King himself instigated the visit because of information uncovered by Canadian authorities, or whether the Attlee cable and subsequent London discussions started off the chain of Ottawa investigation, is not clear.

Other Nations May Get Goods Made for Russia As Canada Orders Soviet Contracts Suspended

Suspension of work on industrial equipment orders for Russia will "seriously inconvenience" some firms concerned, but should not mean any direct loss in the long run, The Financial Post is informed. Even should cancellation follow, manufacturers believe the equipment already manufactured will find a ready market among the United Nations.

Chief firms affected are makers of machine tools, such as John Bertram & Sons, at Dundas and John Hepburn at Toronto. Also affected is Dominion Engineering at Montreal. Still other firms are affected in minor degree.

Chief items involved are machine tools, motors, locomotive and electrical equipment. The suspension also affects a separate order for electrical equipment placed last year with Westinghouse, which the government guaranteed to the extent of about $3 millions.

Manufacturers told The Financial Post that their contracts were with the Federal Government and not the USSR. Consequently they anticipate no difficulty in collecting on all equipment delivered. One manufacturer voiced belief that the contracts, even if cancelled, might be renegotiated on behalf of some other nation requiring the same type of equipment. Most of the machinery on contract, they said, was of standard design.

"Seriously Inconvenienced"

John Bertram & Sons, however, reported that, the company had been "seriously inconvenienced" and faced a costly period of plant readjustment before it could get back into production, if the contracts should be cancelled. The Dundas company gave the required 7-days' notice to "a sizeable proportion" of its staff as soon as the suspension was announced.

"We set apart quite a portion of our shop for this particular work," President Graham Bertram said, "and we can't change our plant around and get new orders overnight. It will probably be a matter of months. For the present, however, we are just waiting. The suspension may be lifted, in which case we would simply go back to the job."

William Hepburn, secretary, said the John T. Hepburn Co. would have "plenty of work" to carry on with while awaiting final disposition of the Russian contract. It has a strong backlog of orders for structural steel and these, together with other anticipated orders, are expected to take up any slack.

"We've been in business 41 years," Mr. Hepburn said, "through wars and depressions and everything else. I don't think this will stop us."

Suspension of production on the Russian equipment orders was ordered by the Department of Reconstruction and Supply at least 24 hours before the big spy-hunt story broke. It was the logical sequel to action taken by the same department three months ago, and has nothing to do with the espionage matter. Whether production will be resumed depends on Russia's willingness to "get busy" on negotiation of a long-term credit with which to pay for the equipment.

Total Near $25 Millions

Canada suspended shipments of the equipment last November, pending the negotiation of satisfactory credit terms. This suspension has been adhered to ever since. All that happened last week was that the government decided to take the second step by suspending production on further orders. It is reported that the total amount of business affected by the November suspension of shipments is close to $25 millions. A considerable amount of this has been finished but not shipped.

Background of this dispute goes back many months to the time when Russia was placing orders in Canada under Mutual Aid. In addition to aluminum, foods and other war needs, Russia asked for considerable amounts of equipment, machinery, etc. which quite clearly had postwar value. Canada agreed to supply this on condition that the Russians agree to pay for any items not delivered at war's end. When Mutual Aid terminated on Sept. 2, 1945, negotiations started at once, as to the basis on which Russia should pay for this equipment. Overnight, according to Canadian officials, the Russians became "tough and unreasonable." They demanded interest terms much below what the Canadian Government was paying for money or what was being freely accepted by other purchasing nations. General basis of their offer was 2¼% interest for a 30-year loan.

Moscow also demanded that all goods be free of sales and other taxes (a not-unreasonable demand for intra-governmental deals) and, in addition, that Canada cut its list prices 25 to 30%. The Russians also sought a Canadian credit to cover purchases of other materials here. Negotiations have been lagging since September.

Inside News

Wheat Must Move if Europe is to be fed; but many western farmers are reported holding their grain, in anticipation of lower income tax rates. One plan mooted to encourage immediate deliveries, is payment by promissory note. Such notes could be held by the farmers until tax rates drop. (p. 17).

In the Clear Again Newfoundland looks forward to continued economic improvement in the postwar era. Total trade doubled during six years of war; last year the country showed a $4 millions surplus after repayment of a $1.5 millions sterling loan. Old world food needs ensure a postwar market for all available fish products. (p. 8).

More Social Credit legislation is promised Alberta this year. But the Manning government will refer its legislation to the courts, to test its validity, before bringing it into force. The Aberhart administration, in the past, legislated, then let others challenge its measures. (p. 8).

Queues Are Longer and housewives wearier, in England. Medical authorities are worried not only over actual food shortages, but over the effects of the physical strain which women suffer through lining up day after day to purchase the meagre supplies available. London Calling, by Adelphi. (p. 9).

Bigger the Better is Quebec City's slogan for its postwar industrial program. With labor, natural resources, electric power and navigation facilities readily available, the historic Citadel City is planning development project involving more than $100 millions. Growth Cities of Canada. (p. 14)

Too Many Secrets in present company reports? Should fuller disclosure be required on operations and financial conditions? Leading Canadian financiers and industrialists answer this question. (p.7).

B. C. Ghost Town Anyox is to be brought back to life by a new iron and steel industry. A development company has purchased the entire townsite, 650 miles north of Vancouver. (p. 11).

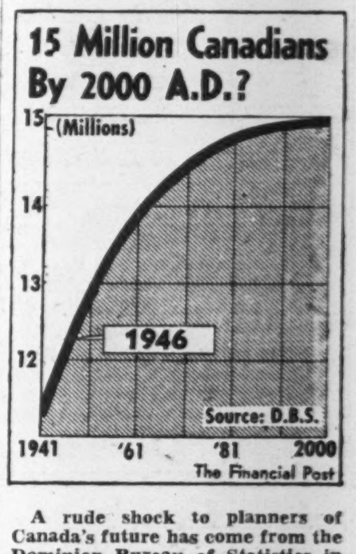
MacNab Buys Stelco on advice of his investment manager, after selling International Nickel, Price Bros. common and Hollinger, the latter at approximately double cost price. Part of the proceeds he invests in short-term Dominion of Canada bonds, due in 1947. Managed Investment. (p. 12).

FM Broadcasting will probably be in operation in Canada this year, on the same frequencies as in the U.S. (88,000 to 108,000 kilocycles). Two questions awaiting decision, are whether existing radio stations will be permitted to do their own experimenting with the new system, and whether the number of FM in a given area, will be arbitrarily set by the licensing authority. (p. 3).

Braille Micrometers for blinded veterans have been developed in England. Seaweed rayons make new cloth designs possible. Canada's first drive-in theatre for motorists is projected at Dixie, Ontario. Portable sunlight is now packaged in Westinghouse bulbs. What's New in Business. (p. 7).

Bacon or Beer is the problem facing Canada's feed administration — whether U.S. breweries should be allowed Canadian barley, or whether it should be utilized in hog production. (p. 17).

Pace of Business



A rude shock to planners of Canada's future has come from the Dominion Bureau of Statistics in an estimate that the Dominion's population will be only 15 millions by the end of the century. Unless buoyed up by immigration or a swing to larger (and healthier) families, the estimate shows, Canada's population will increase less than 25% in the next 54 years. The estimate predicts fairly rapid growth to 14.6 millions by 1971, followed by a flattening-out in the next 30 years and a declining trend after 2,000 A.D. The trend would be accompanied by a marked increase in the average age of Canadians—unless immigration or a higher rate of fertility come to the rescue.

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GLENEAGLES INVESTMENT CO. reports net income for 1945 of $27,746 before provision for bond interest of $21,960. This compares with $30,735 net income for 1944 before $31,569 in bond interest. During 1945, the company cancelled an additional $76,100 of its own bonds, which had been acquired at a cost of $54,635, reducing the outstanding total to $723,900.

WAR ASSETS CORP. reports January sales of war surplus materials reached a new high mark for the third month in succession, at $14,-475,949 against $10,155,222 in December and $10,067,492 in November. Gross sales to date have realized $75,222,827.

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$2 Billion Loan to U. K. To Come in Two Parts

Now Expect Canada's Loan Will Involve $1.25 Billions of New Money, Nearly a Billion to Extend Old Debt

OTTAWA (Staff) — British and Canadian fiscal experts have spent most of the past week establishing a "pattern" for the forthcoming credit to U. K. Under discussion at high level, has been the most satisfactory way of dealing with past, as well as future British indebtedness.

The British are expected to require close to $1¼ billions of "new" Canadian dollars. In addition, there is outstanding about $500 millions of the interest-free Canadian loan of 1942; plus $425 millions of U. K. indebtedness for the air training plan; plus an undetermined amount on army accounts still "open." The 1942 loan was interest-free only for the duration of the war. Unless or until some other arrangement is made it would, presumably, be now accumulating at interest.

In all, this involves about $2 billions.

While it is advantageous to deal with all these problems simultaneously, it is unlikely that they will be lumped into a $2 billion loan. More likely will be a technique something like that adopted in the U. S. where past obligations under Lend-Lease were handled as one transaction and a new loan for $3¾ billion U. S. dollars was also negotiated.

For one thing, the Government could probably be more generous in making concessions on old debts than it could on a new loan. As well, many considerations having to do with sterling convertibility, etc., enter into the new loan and must be meshed into similar conditions imposed by the U. S. credit.

Also under consideration is the highly technical question as to whether a new Canadian loan to U. K. should include as well, credits to other Commonwealth countries—notably India, Australia and New Zealand. These countries, in all, may require anything up to $250 millions of Canadian dollars over the next few years. Should this money be made available out of "current" sterling earnings as these become free? Or would a Canadian loan in addition to these earnings be more satisfactory?

One obvious point is that if Canada were to make a loan for use in sterling areas other than U. K., then these countries might use their dollar earnings (after 1946) to make purchases in United States rather than in Canada. On the other hand, an additional Canadian loan for use of these countries might permit larger purchases in Canada over the next few years.

(In the case of India, as pointed out in the Commons last year by Mr. Ilsley, an additional question is involved. India may negotiate a Canadian loan herself, in part to meet indebtedness she has incurred in purchasing flat cars and other railway equipment not chargeable under Mutual Aid.)

It is presumed here that once negotiations have been completed and a "deal" arranged, some anoucement will be made irrespective of what is happening to the U. S. loan in Congress. The Canadian loan is being made on the assumption that the U. S. loan will go through. If the U. S. loan is not approved by Congress it is almost certain that Canada would want to change very considerably the terms now being discussed.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

British Columbia Telephone Co.—A. J. Jack, general traffic manager; E. S. Dickson, John McNiece, district traffic superintendents; M. Gillespie, general traffic supervisor; H. W. Foulkes, assistant general traffic supervisor.

Canada Steamship Lines — F. J. McAllister, district freight and passenger agent, Windsor.

Canada Pictures (Toronto)—K. S. Edey, manager and partner.

Canadian Forestry Association—Robson Black, president; J. S. Bates, vice-president and chairman of executive; F. S. Keith, vice-president; V. E. Johnson, chairman of board.

Collier, Norris & Quinlan, Ltd.—Joseph dePencier, an associate.

Colgate - Palmolive - Peet Co. — Ralph A. Hart, vice-president in charge of sales.

Canadian National Steamships — R. A. Clarke, general manager.

Crown Life Insurance Co.—N. D. Campbell, J. E. Moore, G. N. Watson, assistant actuaries; J. F. Tourgis, agency secretary; E. F. Vardon, underwriting secretary.

Continental Life Insurance Co. — C. B. Hermann, Toronto manager.

Canadian Pacific Air Lines, Ltd.—W. M. Neal, president and chief executive officer.

Canada Cement Co.—W. H. Howard, G. A. Russell, directors.

C. A. Dunham Co.—A. J. Dickey, president.

Dominion Government — D. W. Jackson, assistant commercial secretary, Paris; E. H. Maguire, assistant commercial secretary, Buenos Aires; W. D. Wallace, assistant commercial secretary, Washington.

Dominion Textile Co.—C. C. Mackellar, assistant general sales manager; A. C. Johnston, manager of converted fabric sales; J. J. Griffin, manager of domestic and industrial fabric sales.

Eagle Star Insurance Co.—Reginald Holroyde, assistant manager for Canada; V. G. Creber, manager Western Canada branch, Winnipeg; A. C. Ruby, branch manager, Calgary.

W. J. Gage & Co.—E. A. Blanchard, western manager, Winnipeg.

General Trust of Canada—Aristide Cousineau, a director.

Great Lakes Paper Co.—W. B. Southon, woodlands manager.

Goodyear Tire & Rubber Co. of Canada—R. W. Richards vice-president, sales; A. W. Denny, vice-president, production; O. H. Barrett, assistant to president; K. E. Kennedy, secretary; J. D. W. Cumberland, assistant secretary; D. C. Carlisle, treasurer; H. A. Tipple, comptroller; P. B. Stevenson, assistant comptroller.

Hamilton Clearing House — Norman Evans, chairman; F. D. Dunn, vice-chairman.

John Inglis Co.—Jardine McKerlie, general sales manager, general engineering division.

Kerr Brothers Ltd.—R. Ross Patterson, president.

Manitoba Government—Geo. M. Furnival, director of mines.

Norris Grain Co.—James Norris, president; F. L. M. Arnold, vice-president and manager; George S. Mathieson, treasurer.

Ontario Hardware Dealers' Association—Colin Carter, president; G. E. Oke, vice-president.

Ontario Government—L. S. Beattie, Director of Vocational Education; A. M. Moon, assistant director.

Ontario Federation of Anglers & Hunters—Austin Peters, president; Viv Sutton, Harold Franklin, O. B. Harris, vice-presidents.

Ontario Agricultural Council—C. H. Hooper, president; George Fry, J. M. Story, vice-presidents.

Ontario Food Brokers' Association—W. E. Lauder, president; A. J. R. May, W. Field, vice-presidents.

Prudential Life Insurance Co. of America—H. G. Peppiatt, manager Toronto mortgage loan branch office; H. E. Richardson, assistant manager.

Retail Furriers' Guild of Canada—Lloyd Bell, president; H. Kindey, Isador Brodey, vice-presidents.

Royal Architectural Institute of Canada—Charles David, president; J. Roxburgh Smith, Laurence J. Green, vice-presidents; A. J. Hazelgrove, honorary treasurer; Murray Brown, honorary secretary.

Ruthrauff & Ryan, Inc. — F. B. Ryan, chairman of board; F. B. Ryan Jr., president.

Snap Co.—Chris Woodburn, managing director in charge of manufacturing and merchandising.

Sorel Industries, Ltd. — Karl Tewes, sales engineer.

Studebaker Corp. of Canada—R. H. Tugman, manager, eastern and central Ontario.

Trailmobile, Ltd., Canada—W. T. Childress, president; A. L. Struble, vice-president; Fred W. Davies, vice-president and general manager.

Verdun Chambre de Commerce—Wilfrid Page, president; J. R. Hebert, vice-president.

War Assets Corp.—Henri Duclos, manager Quebec City sales branch; Willie Begin, assistant branch manager.

Western Life Assurance Co.—A. R. Goudie, president; H. H. Gray, managing director.

F. L. M. ARNOLD

has joined the board of the Norris Grain Co. as vice-president and manager.

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YOUNG LAWYER

Commerce and Finance graduate, with several years' experience in general practice and in legal department of large corporation and over six years on war services work, desires administrative or legal position with industrial or financial corporation.

Box 152, The Financial Post, Toronto.

British Companies To Buy 15,000 Bedroom Suites Here

Holding signed contracts for 15,000 bedroom suites for delivery to Britain, production at Globe Plywood Products, Collingwood, Ont., can now get under way. Signing of the contracts took place at Queen's Park on Tuesday after a British delegation, headed by Philip Ingleson, C.M.G., of the British Board of Trade, had visited the Collingwood plant and examined samples of the furniture. Britain will shortly contract for 150,000 bedroom, living room and dining room suites to be made here, it is stated.

Manufacture of plywood furniture in Canada is part of British plan to refurnish bombed-out homes. Original British request was for hardwood, but due to domestic and export requirements the Ontario Government was unable to comply. Designs for plywood furniture of the knockdown type were first submitted to the Ontario Government by Roy K. Bullas of Kitchener.

Negotiations for the purchase of the plywood furniture were started with the British Government through Ontario House in London and the Planning and Development Dept. at Queen's Park. When assurances from the British Board of Trade that plywood would meet British requirements were given, Globe Plywood Products Co. was formed with the backing of A. R. Kaufman of Kitchener (see The Financial Post, Nov. 17, 1945). British suggestion was that the furniture be shipped unfinished and without mirrors and hardware and that British firms complete manufacture.

Newest Order Only Clarifies Price Changes

Doesn't Add Any Further Goods to Ceiling-Exempt List

Aim of new lists of consumer goods and services from which price ceilings have been suspended by Ottawa is simply to clear up confusion in definitions included in the earlier list of some 300-odd items. Like the original suspension order the latest edict is not expected to bring any appreciable increase in cost to the consumer.

Manufacturers, wholesalers and retailers told The Financial Post they intend to use every means at their disposal to prevent a retail price rise, even at the expense of dipping temporarily into profits. They say competition will help hold prices down; but they fear increases in the cost of labor and of such materials as raw silver and steel.

Confusion in the original price suspension arose over the item labelled "Drugs." It is meant to apply only to proprietary and patent medicine and household remedies. Drugs, generally, in crude or processed form, are not affected. Some quarters however, expect adjustment in the price of certain chemicals used in drug manufacture.

Tagged by the Prices Board as definitely not released from price control are the following: photographic and stamp albums, scrap books; olive oil; edible tree nuts mixed with peanuts; commercial fishing equipment; mirrors of all kinds; wax polishes of any kind; shaving mirrors; matches; silver compounds or chemicals; containers in which cosmetics are packed for sale; parts used in repair, maintenance and servicing.

"Household articles designed chiefly for decorative rather than utility purposes," designated in the original release, do not include any article used in preparing, storing or serving food and drink. "Millinery" is also clarified as pertaining to articles designed to be worn as head covering, excluding scarves, kerchiefs, head squares, ribbons, snoods, veils, veilings.

Following is an analysis of the outlook:

Telescopic sights and mounts—No price change anticipated, for few currently available from U. S.

Jewellery boxes and compacts — No change in plastic or metal items, possibly a slight increase in silver items, as increase in price of raw silver is felt.

Decorative paper wrappings, novelties—No increase expected.

Tricycles—Price dependent upon price of steel to Canadian cycle makers.

Dolls' clothes, accessories—No increase expected.

Repairing of radios—Price of parts may force about 10% increase.

Repairing of elevators—Slight increase in minor repair work ordinarily taken on a price-per-hour basis; no increase expected on major jobs done on estimate basis.

Repairing of pens and pencils — No change anticipated.

Music for all mechanical musical instruments—No change expected.

Impregnated polish cloths—No effect likely, supply limited.

Tobacco pouches—No change expected, supply limited.

Knife holders, candle holders — No change expected, supply limited.

Powder and cosmetic containers only when designed for sale separately to consumers—No change expected, supply limited.

DISTRIBUTING AGENCY

Operating out of Vancouver and Edmonton, is in position to handle new selected lines, would like to contact manufacturers and importers who intend to expand their business to Western Canada.

Box 150,
The Financial Post, Toronto.

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

SALES REPRESENTATIVE

EXPERIENCED and energetic salesman seeking Dry Goods lines for Western Canada. Well connected with Wholesale Houses and Departmental Stores. What have you to offer? Box No. 146, The Financial Post, Toronto.

YOUNG ACCOUNTANT

GO ANYWHERE, thirteen years general office experience, three years special work with International Accountants' Society. Particularly good at meeting public. Desires position of responsibility. Ex-service. Box 78, The Financial Post, Toronto, Ont.

POSITION WANTED

WELL qualified insurance underwriter A.I.I.A. field and agency experience, excellent references. Due for demobilization March desires position with Toronto company or broker. Box 120, The Financial Post, Toronto.

Beaulieu Drilling Gives Rich Core

An intersection of 2.60 oz. or $91 at $35 gold across 10 ft. 2 in. has been secured by Beaulieu Yellowknife Mines in a hole put down to prove the extension of the high-grade section in the Norma vein, President Samuel Ciglen announces:

Individual assays are reported as follows:

From 38 ft. 10 in. to 40 ft., 17.85 oz.; from 40 to 41 ft., 4.28 oz.; from 41 to 42 ft., 0.675 oz.; from 42 to 47 ft., 0.03 oz.; from 47 to 49 ft., 0.51 oz.

Results of the second hole in the series are expected within a few days.

"MY BANK" TO A MILLION CANADIANS B of M

● working with Canadians in every walk of life since 1817

BANK OF MONTREAL

CANADA CEMENT CO. earnings this year are likely to cover regular preferred dividend requirements of $6.50 a share, as result of reduction in the Excess Profits Tax, J. D. Johnson, president, stated at the annual meeting. Sales showed an increase last year, and a further increase is expected this year, Mr. Johnson said. Demand for concrete blocks for housing has been greatest in the history of the company during the past 12 months.

PLANT MANAGER REQUIRED

Excellent opportunity in the Maritimes for top rate manager capable of taking charge of all mechanical operations of plant engaged in marine repairs, installations and manufacturing. Facilities excellent and working staff ranging from two hundred to five hundred employees.

Apply Box No. 138, The Financial Post, Toronto.

1945: *A Year of Continued Progress and Expansion*

TOTAL CASH INCOME (Increase over 1944, 10.5%)	$ 2,656,738.05
FUNDS HELD IN TRUST FOR POLICY-HOLDERS (Increase over 1944, 11.1%)	$11,571,172.00
TOTAL ASSETS (Increase over 1944, 10.8%)	$12,544,012.60
NEW INSURANCE ISSUED (Increase over 1944, 19.8%)	$11,185,722.00
INSURANCE IN FORCE (Increase over 1944, 14.4%)	$60,178,779.00

Each of the items featured above represents an all-time high for the Company. The gain in Insurance in Force of $7,600,772.00 is especially noteworthy.

- Reserves for security of policyholders were increased in 1945 by $1,067,225.00.
- 70% of Invested Assets consist of high-grade bonds. Government securities comprise 45% of all investments.
- Total Market Value of securities exceeds total Book Value by a large margin.
- The rate of interest earned by the Company in 1945 was 4.82%.

BOARD OF DIRECTORS

W. SANFORD EVANS, LL.D., President; E. W. MONTGOMERY, M.D., LL.D., WILLIAM WHYTE, Vice-Presidents; E. E. SHARPE, K.C., JOHN MARTIN, JOHN W. HORN, ROY W. MILNER, C. D. GRAYSON; M. D. GRANT, F.I.A., F.A.S., Managing Director.

THE SOVEREIGN LIFE ASSURANCE COMPANY
HEAD OFFICE • • WINNIPEG, CANADA

The High Rigger is an expert who shaves the crowns of tall timbers. To become such a spectacular specialist means years of training and hundreds of dangerous climbs.

Skill and proficiency in paper making comes only after long years of specialized application. Like the High Rigger, we of Provincial Paper prefer to concentrate our efforts in doing a few jobs well.

Fine printing papers, such as Super Calender, Book, Coated and Offsets, are our specialties. Evidence of their continued preference is the fact that Provincial have been the most used fine printing papers in Canada for more than a third of a century.

PROVINCIAL PAPER
LIMITED

Specialists in the Manufacture of Fine Printing Papers.

Head Office: 388 University Avenue, Toronto.
Branch Sales Office: Montreal.

Mills at: Mille Roches, Ont.; Thorold, Ont.; Georgetown, Ont. (2); Port Arthur, Ont.

They Can't Get the "Bugs" Out Of FM Until They Know the Public Likes It

Radio manufacturers are going to have trouble with frequency modulation radio until they find out whether the public is really going to like it.

Two things about FM broadcasting are fairly certain, one is that some form of FM transmission will be made commercially in Canada before the end of 1946 and second, the same frequencies will be used here as in U. S. (88,000 to 108,000 kilocycles). Probably the first commercial FM broadcasts will be made from stations in Montreal and Toronto, but as far back as October last year Hansard listed 44 applications for FM licenses from commercial radio stations.

But before any wholesale granting of licenses takes place, decisions on two important questions have to be made:

(1) Will radio stations be permitted to do their own experimenting?

(2) Will the number of FM stations in a given area be arbitrarily set by the licensing authority?

Whether radio stations will do their own experimenting is actually a secondary question to how the average radio listener will take to FM. Everyone in the radio industry is agreed that listeners want the staticless radio which FM gives, but some are not so certain that high fidelity reception on FM radios will prove immediately popular. Some tests have shown that it takes time for the average radio listener to become accustomed to FM programs.

For this reason radio broadcasters think a sudden switch to the true high-fidelity FM may scare many listeners away from it entirely. To forestall such a possibility, broadcasting men suggest that radio stations be permitted to start FM off on an experimental basis, if they wish. Such a practice would permit them to make FM programs sound not too much different from AM and as listeners became accustomed to high fidelity, the power and frequency range would gradually be increased until maximum FM broadcasting was achieved. For this reason broadcasters think there should be no technical restrictions so that each radio station can do its own experimenting, based on listener reaction.

Radio manufacturers, however, once they get into production on FM radios, want to base their sales program on the static-free feature of FM. The policy of broadcasters to start off, possibly, with low-power output would sacrifice some of the noise-free characteristics of FM. To the man on the street FM broadcasting means static-free high-fidelity reception, but a less-publicized fact is that "no static" depends on the power of the radio station. Auto ignition produces static on FM receivers and radiomen say that it can be just as bad as noise on ordinary AM (amplitude modulation) radios. To keep static out of FM programs, the power of the radio station must be sufficient to override the noise, and as radio manufacturers point out, FM's best selling point right now is a "static-free" radio.

Actually the broadcasters and radio manufacturers are only representative of the two approaches to FM (a) as a supplement to AM for a number of years at least; (b) FM as a new method of broadcasting which will replace AM as soon as the changeover can be made in broadcasting stations and receiving sets. Those who think in terms of (a) believe public acceptance has to come before any plans for FM to replace AM can be made. Believers in (b) say unless listeners get all FM benefits from the start they may never accept it.

Another problem which is causing broadcasters and licensing authorities to wrinkle brows is how many radio stations should be granted FM licenses? In ordinary AM broadcasting this question is pretty well answered by the number of frequencies available, but FM is not restricted by this factor. On the present fequency band assigned to FM radiomen say 10,000 stations can operate without interference. Chief reasons why the large number of FM stations is possible are: (1) FM broadcasts travel no farther than the horizon. (2) Two stations can operate on the same wavelength as long as the power of one is twice that of the other. (3) FM broadcasts can be "beamed" accurately in a particular direction.

Licensing authorities, therefore, are not troubled by assigning wavelengths, but whether everyone who applies for FM license should get it. Commercial broadcasters think FM gives radio a chance to go ahead on a freely competitive basis, for the first time. In a brief presented to the Board of Governors of the Canadian Broadcasting Corporation on FM in Canada the Canadian Association of Broadcasters stated: "It would appear that in any given area as many FM licenses as may be applied for should be granted. This is the same factor which, in the press of Canada, dictates whether there shall be one, two or three or more papers in any given area."

While this question has not been decided one way or the other, government opinion appears to be that the number of stations should be limited by the requirements of the area served. To radio listeners and advertisers the unlimited granting of FM licenses would probably be a boon, since competition would help raise program standards and make radio advertisers much sought-after customers. From the standpoint of radio stations, however, it is possible that unlimited competition would result in many stations "going under" during economic depression.

These are only two of the many questions on which radiomen are now working. On the solution to many of the problems there is general agreement. Radio listeners can be fairly certain that FM broadcasts will follow along these general lines: (1) Stations broadcasting both AM and FM will carry the same program over both (Mr. Petrillo permitting). Stations using FM only will likely be required to broadcast regularly scheduled programs. (2) FM broadcasts by each station will be limited to a certain area until FM is further out of the experimental stage. (3) No hard and fast rules governing FM will be made for at least five years.

One policy which radio broadcasters hope to see adopted carries on the idea of more competition in radio. They would like all stations in the same broadcasting area entitled to use the same maximum power. In AM broadcasting with its crowded air lanes this is not possible and therefore gives the station with greater power better coverage. FM with its open frequencies can, theoretically at least, permit every station to use the same power output without interference. Broadcasters say by putting all stations on an equal technical footing true competition in radio is possible for the first time. Radio stations with the best programs and giving the best service will get the most listeners.

TOWN OF COURVILLE, P.Q., sold $90,000 3% serial, 20 years, debentures, at 100.25 (net interest cost to the municipality, 2.974%), to Caisse Populaire. Proceeds will be used for extensions to water and sewer systems, opening of streets, pavings, etc.

ARISTIDE COUSINEAU

has been elected a director of General Trust of Canada.

P. E. I. Seeks More Tourist Quarters

From Our Own Correspondent

CHARLOTTETOWN — While the tourist industry for 1945 suffered in most parts of Canada, Prince Edward Island reports the best year on record . . . a total of 249,871 visitors. 5,521 more than in 1944. While travel restrictions prevented holiday-seekers from going to more distant points, many of the tourists came from Nova Scotia and New Brunswick; and after this war's end, others came from more distant points in increasing numbers.

An even larger number of tourists is anticipated this year, but accommodation is a bottleneck. The Tourist Bureau is urging citizens to open their homes and whatever other facilities can be made available. Prospects are reported "exceptionally good" for anyone interested in opening summer hotels, tourist cabins, etc. The government will welcome outside capital with experience in the trade.

Purchasers Back Away When Goods Are Offered

How big is the backlog of consumer demand? How good are the long lists of "priority customers" which have been kept and added to by dealers in all sorts of appliances and other scarce goods?

The Financial Post put that question to dealers in lines principally affected—radios, electrical appliances, vacuum cleaners, washing machines, refrigerators, electric stoves, ironers—and learned that a sizeable part of the postwar market is pure myth.

In washing machines, for example, the records of one big dealer show that when machines were available and priority list customers were so advised by telephone, only 28% took delivery; 72% had already bought elsewhere or were no longer interested. For record purposes "no longer interested" covers those with changed address, illness, unemployed, etc.

Experience on vacuum cleaners has been slightly better with the same dealer — 48% of priority prospects bought when contacted, 8% had already obtained new or used machines elsewhere, 44% were no longer interested. In the radio department 60% of the list proved salesworthy.

Most dealers contacted were pessimistic about the value of their wartime deferred sales lists, except where definite order contracts were signed and down payments deposited. Most optimistic estimate of the salesworthiness of no-payment lists is 75%, blackest is 12%; both based on limited experience in a single line of merchandise.

Down payments range from a token $10 up to one third the value of the article in question. In all cases reported, dealers feel confident of their paid order list; for a customer who no longer intends to complete his purchase usually reclaims his deposit money. Many a dealer who began a free priority list during the war has since dropped the practice in favor of the down payment system or no list at all.

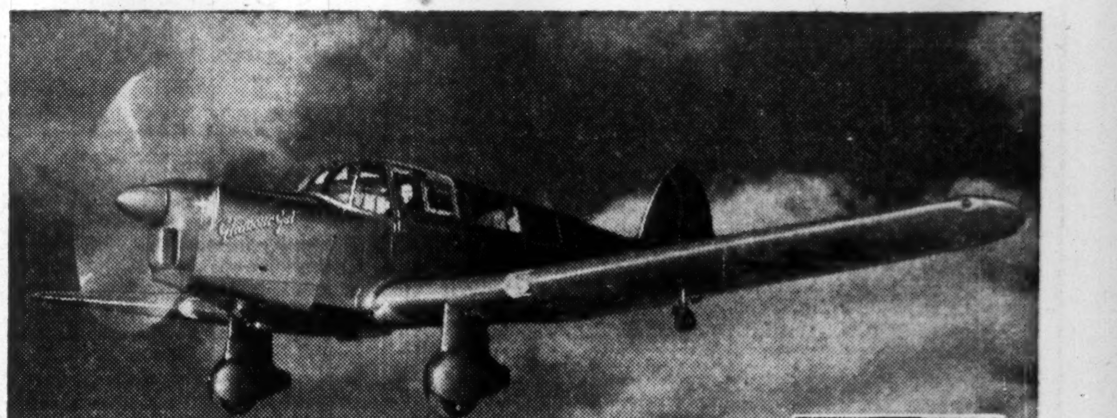
"The postwar market has been greatly overemphasized by duplication of names entered on many dealers' lists," Leigh Hartman, president, Toronto Association of Radio and Appliance Dealers, told The Post. "It is doubtful if the market is half as big as these lists would indicate."

Manitoba Seeks 600 as Teachers

From Our Own Correspondent

WINNIPEG—Wartime shortage of teachers which last September left nearly 700 rural Manitoba schools without qualified persons to take charge of them, may be worse next September. Seeking new teachers, the Department of Education is offering special scholarships, ranging in value from $50 to $200.

The Department also makes loans up to $200 to needy and deserving students. If all rural schools are to have teachers next fall, at least 600 students will have to be enrolled in next summer's short Normal course. And at present, space is not available for that number.



The Percival "PROCTOR V"

Mr. J. F. Carroll, Acting Manager.

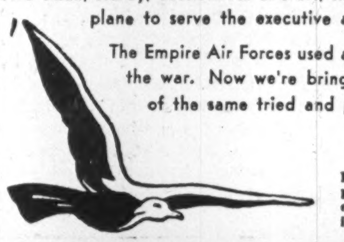
Miss Helen Harrison, Chief Test Pilot and Demonstrator

Mr. A. Groves, Chief Ground Engineer

We're Here!

YOUR FIRST ALL BRITISH POST WAR AIRCRAFT

It's the Percival "Proctor V," the plane created to meet today's demand for a small, sturdy, economical aircraft, the answer to your requests for a plane to serve the executive and charter pilot alike.



The Empire Air Forces used and praised the "Proctor" during the war. Now we're bringing you the 1946 Civil Version of the same tried and proven aircraft.

INQUIRIES INVITED

For complete details, write or phone Percival Aircraft Limited, c/o de Havilland Aircraft Limited, Postal Station "L," Toronto.

PERCIVAL AIRCRAFT

Percival Aircraft Ltd., Luton, Bedfordshire, England — Toronto, Canada.

Shoe Demand Exceeds Output Despite Huge Leather Supply

In gearing up for a record shoe production target for 1946 of 40 million pairs, Canadian shoe manufacturers will be assured one of the greatest supplies of domestic leather in Canadian history. All wartime facilities, which were devoted to military production, plus most of the large pre-war export output, will be swung into supplying the home market. In spite of this however, inflated demand is expected to continue to outrun production throughout 1946.

At the moment, the main production curb threatening attainment of the 1946 goal is not leather, but labor —skilled and semiskilled labor in the shoe factories. Deliveries to retailers are running three to five months behind schedule in many lines of footwear.

It is estimated that the shoe trade will get about 80% of all the leather used in Canada this year—last year the tanneries turned out over four million hides and skins. This year cattle hide and goatskin leathers will likely be in greater supply than last but horsehide, sheepskin and lambskin leathers are expected to be less plentiful.

In spite of the abnormal home market some 20,000-30,000 hides are being sent overseas under allocation from the International Hide, Skin & Leather Commission, for delivery to needy European countries. Several large pre-war exporters are also planning large-scale resumption of overseas shipments as soon as export controls are removed. Four of Canada's largest leather producers exported approximately 70% of their total output before the war.

Perhaps the greatest raw material shortage in the shoe industry at the moment is in sheepskin for shoe linings. No immediate improvement is in sight. Generally speaking sole leather is in better supply than leather for uppers.

LIME EXPORTS from the Pacific Lime Co.'s quarries at Texada Island, between the British Columbia mainland and Vancouver Island, should be stopped until needs of B. C. farmers are met, B. C. Agriculture Minister Putnam has advised Federal Agriculture Minister Gardiner. Ceiling prices in Canada have resulted in the lime going to the U. S., placing B. C. pea and legume crops in jeopardy, it is stated. Fraser Valley farmers alone need 12,000 tons.

The Largest Machine Tool and Mill Supply House in Canada

G. M. NIVEN
Vice-president & Gen. Sales Manager, Montreal

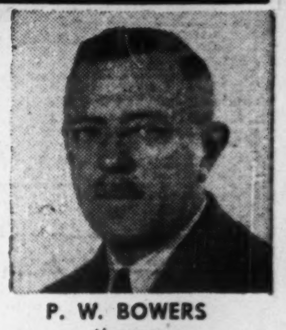
G. R. WYER
Manager
Montreal Branch

22 Key Men, plus
60 Salesmen specializing in machinery and mill supplies
14 Branches across Canada the larger ones equipped with machine shops
40 Years' Service to Canadian industry

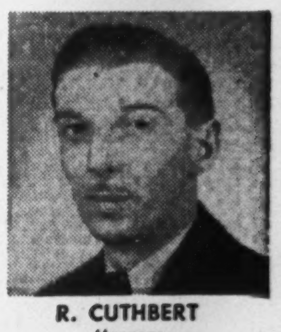
Canadian Fairbanks-Morse blankets the Canadian industrial field with excellent service. During the last forty years, a period of unparalleled industrial expansion, Fairbanks-Morse supplied Canadian industry with a large share of the machinery, machine tools and shop supplies which made that expansion possible.

WHATEVER YOU NEED, FAIRBANKS-MORSE HAS IT! Today our Machinery and Supply Department represents exclusively a top-drawer list of the world's leading manufacturers of machine tools and mill supplies. Recognized as the Departmental Store for Canadian Industry, we supply practically every type of equipment as well as the thousand and one items needed for power transmission, production and maintenance in manufacturing.

OUR ENGINEERING COUNSEL is always at your service in estimating your requirements, in the selection of the best type of equipment for your needs and in its proper installation. MANPOWER plus EXPERIENCE plus THE FINEST EQUIPMENT makes a combination hard to beat. That's the combination we offer Canadian industry after more than 40 Years' Service!

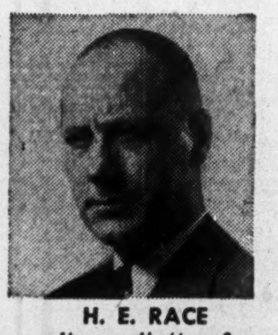


P. W. BOWERS
Manager
Toronto Branch

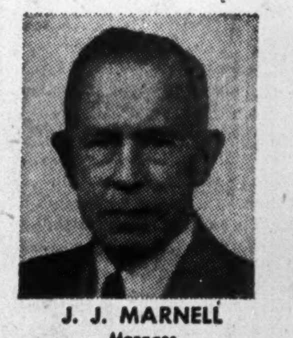


R. CUTHBERT
Manager
Windsor Branch

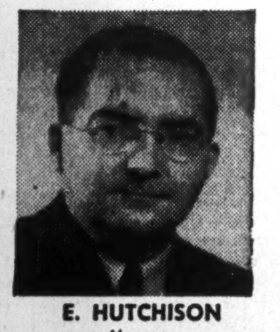
JOHN BRETT
Manager, Supply Dept.
Montreal



H. E. RACE
Manager, Machinery & Transmission Dept., Montreal



J. J. MARNELL
Manager
Quebec Branch

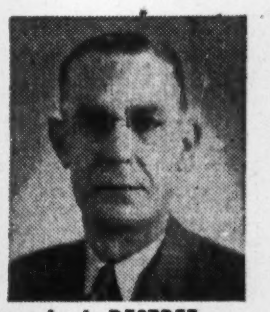


E. HUTCHISON
Manager
Ottawa Branch

H. L. MATTHEWS
Manager
Winnipeg Branch

E. L. GREER
Manager, Machinery Dept.
Toronto

D. R. COOPER
Manager, Supply Dept.
Toronto



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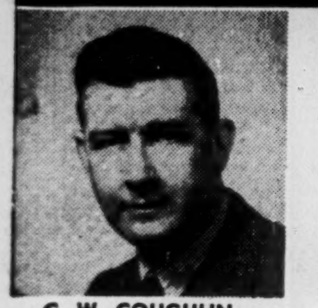
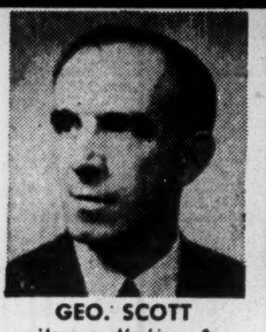
SASKATOON CALGARY EDMONTON VANCOUVER VICTORIA FACTORY, SHERBROOKE, QUE

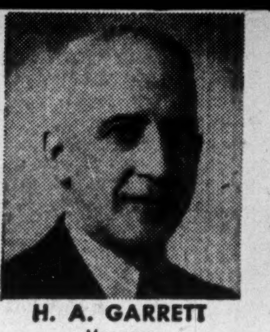


C. W. COUGHLIN
Manager
Vancouver Branch



GEO. SCOTT
Manager, Machinery & Supply Dept., Vancouver

G. Y. SIMPSON
Manager
Victoria Branch

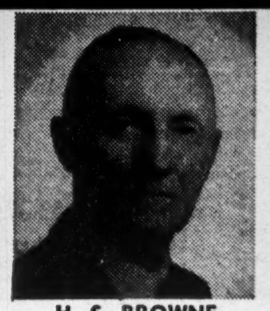


H. A. GARRETT
Manager
Calgary Branch

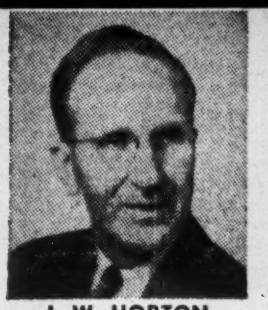
P. McGARVIE
Manager
Edmonton Branch

W. B. COUTTS
Manager, Machinery & Supply Dept., Winnipeg

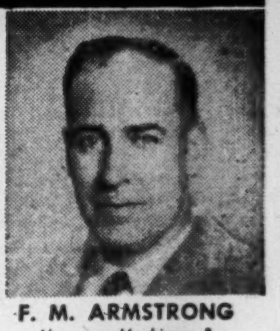
GEO. FALLWELL
Manager
Regina Branch



H. S. BROWNE
Manager
Saint John Branch



I. W. HORTON
Manager
Halifax Branch



F. M. ARMSTRONG
Manager, Machinery & Supply Dept., Saint John

Growth Companies

Common stocks of companies whose earnings indicate a steady uptrend and whose facilities are expanding, offer definite long-term investment attraction combined with possibilities for capital appreciation.

SHERWIN-WILLIAMS STANDARD CHEMICAL
ZELLER'S

Analyses Available on Request

THOMSON & Co.

MEMBERS
MONTREAL STOCK EXCHANGE MONTREAL CURB MARKET
THE TORONTO STOCK EXCHANGE

Private Wires to All Offices

MONTREAL NORANDA TORONTO

See Great Lakes Paper Earnings Much Higher

Estimate Earnings Before Taxes to Better $1.5 Millions in 1946 — Would Mean Over $3.40 on Preferred and $1.40 on Common

By JAMES H. JOYCE

Capacity operation of Great Lakes Paper Co's newsprint mill has been assured for 1946, Hon. W. Earl Rowe, president, states. The cut of pulpwood this winter is at a record high, hauling conditions in the bush now are excellent and will greatly facilitate movement of the timber cut to the mill.

With 100% operations, an estimate made by The Financial Post would indicate 1946 net earnings might better $1.5 millions before taxes on the assumption that there will be no upsetting factors during this year. This would be over 2½ times the $585,674 earned before taxes in 1944.

On the basis of this estimate and assuming that taxes would average about 45% (a rate indicated by results in 1942) earnings of about $3.40 per share of Class A and class B preferred and of $1.40 on the common would be indicated, after taking the participation feature into consideration. This represents a substantial increase from the $1.60 a share earned on the preferred in 1944. The 1945 report has not yet been published.

The above earnings estimate assumes no unusual factor will upset production during the year and a price of $67.00 U .S. for newsprint. Demands for increased wages might increase costs. Increased newsprint prices, now rumored, on the other hand, would increase earnings or else offset any wage or cost increases. Establishment of the company's standard profits base might change the results shown.

Financial circles are still speculating widely on the nature of the possible changes in capital structure of Great Lakes Paper Co. in spite of The Post's report (Feb. 9, 1946,) that the whole question was still in a very nebulous state and that no immediate action was anticipated.

Most recent unofficial report suggests one new $2.50 preferred share and one-third of a common share for each old $2.00 class A preferred share, with the class B preferred, now held by the trustees for the newspaper publishers, to be eliminated in return for long-term newsprint contracts. For such a plan to be possible the authorized common stock would likely have to be increased as the presently authorized 100,000 common shares are now all issued.

G. A. COOKE

has been named assistant actuary of the Canada Life Assurance Co. He was formerly mathematician.

Say in Agreement On Prince Albert Refunding Plan

Agreement was reached on a refunding plan for the debenture debt of Prince Albert, Sask. at recent meetings between representatives of the city and the debenture holders, The Financial Post learns. The city and its school boards will have until May 1 to accept the new proposal and the Bondholders Committee is expected to recommend it to debenture holders.

Briefly, the proposal provides for settlement of interest arrears to Dec. 31, 1945 ($16 a $100 bond) by a 50% cash payment and for present debentures to bear interest at the new rate of 3% for five years and then 3¼% for 15 years. The outstanding debt consists entirely of 4% debentures due Jan. 1, 1966. Present sinking fund is to be liquidated as rapidly as possible. The City is to budget each year for an amount sufficient to pay the interest and retire all the bonds by maturity.

The city has just offered to pay $85 for debentures but as bonds are now quoted at $96½ bid on the street, it seems unlikely to be able to buy any, The Post is told. These prices include the $8 cash payment expected on interest arrears.

From a Few Ounces to Sixty Tons

Canadian Car & Foundry Company, Limited is engaged in the manufacture of items ranging from the fine parts required in electric razors to castings weighing sixty tons.

With such a wide range of activities the Company is well equipped to take part in post war reconstruction.

We offer as principals

Canadian Car & Foundry Company, Limited
Convertible Non-Callable Class "A" Shares
Entitled to non-cumulative preferential dividends of $1.00 per annum
Price: $23.00 per share to yield about 4.35%

Descriptive circular furnished gladly upon request.

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Montreal Curb Market

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OTTAWA QUEBEC SHERBROOKE

Greenshields & Co Inc

Investment Dealers

507 Place d'Armes,
Montreal

OTTAWA QUEBEC SHERBROOKE

Discretionary Tax Power Hit by Supreme Court

(Continued from page 1)

with agreements between "controlled" companies in Canada. But no attempt was made by the department to disallow the expense on this score.

Held "Unreasonable"

As pointed out by Mr. Justice R. L. Kellock, in a judgment:

"It is not open to the Minister to ignore the agreement nor its legal consequences . . . and there is no standard by which the commissions here in question can be shown to have been abnormal with respect to its (the company's) business. Accordingly the disallowance can only have been based on unreasonableness."

Mr. Justice Kellock also pointed out that the formal decision of the Minister of National Revenue to disallow the commissions as expense "throws no light as to the grounds upon which it rested." He says further:

"There is nothing shown upon which anyone can say that there is any unreasonableness attaching to the commissions or to the agreements to pay them—the ground of decision, therefore is unexplained and decision itself is made to appear as a purely arbitrary one."

Similarly Mr. Justice Hudson declares in his judgment:

"The ruling of the Minister does not disclose any reasons, No doubt he had what appeared to him perfectly sound reasons for his decision but none are before us. It is not for the court to weigh the reasons but we are entitled to know what they are, so that we may decide whether they are based on sound and fundamental principles."

Entitled to Data

Even more significant in the eyes of the judges was the question of taxpayer rights in the matter of interdepartmental memos bearing on income tax disputes.

In evidence before the court it was disclosed that in reaching a decision, the Minister's Deputy (C. Fraser Elliott, K.C.) had before him a report of the B.C. Inspector of income tax. This report was not made known to the company. Also, when the case was before the Exchequer Court, counsel for the department objected to its production and it was not disclosed.

Three of the five Supreme Court judges took a very serious view of this omission. Said Mr. Justice Kellock:

"In my opinion, the appellant was entitled to have produced to him before the assessments were made, the report in question and to have an opportunity to meet whatever it contained. It could not be contended it was not a document 'relative' to the assessment under appeal.

"Not having been accorded this right, I think the appeal must be allowed and the assessments set aside on this ground alone, and the case sent back for further consideration to the court below, were nothing more involved in this appeal."

Validity in Question

Mr. Justice Estey *says:*

"The Inspector's report was not produced. Without a knowledge of its contents, it is impossible to determine its validity as a basis for the exercise of the discretion here provided for. Apart from this report, there would appear to be no facts contained either in the income tax returns or in the agreements, which would provide a basis for the determination of what would be a reasonable or normal expense in the business carried on by the taxpayers, or that this expense was incurred in respect of any transaction or operation which would unduly or artificially reduce the income.

"Yet it is the determination of these questions which the statute specifically places upon the Minister. The facts here disclosed in the returns filed and the agreements, do not provide a basis upon which a discretionary determination can be made that the items are excessive within the terms of section 6 (2)."

Mr. Justice Estey further points out that it is not enough for the Department to hide behind the general rule that all such documents are privileged. He points out (as do other members of the court) that the Income Tax Act provides under section 63 (g), for the production in court of "all other documents and papers relative to the assessment under appeal." Mr. Justice Estey says that this document, in his view, was "relative to the assessment" and should have been made available to the court.

Mr. Justice Kerwin (the only judge who wrote a dissenting judgment in the case) quotes an English judgment (which he believes is parallel) and which "not only justifies, but requires a decision that the Deputy Minister is not obliged to produce any report from the Inspector."

Shawinigan To Refund $13 Million 4% Bonds

MONTREAL (Staff)—Shawinigan Water & Power Co. has notified the Quebec Public Service Board of intention to redeem on April 1 at 102 and accrued interest its $13,302,000 of first mortgage bonds, series "F," due 1961. The company now holds $375,000 in its treasury.

The bonds to be retired have a 4% interest coupon, and it is proposed to issue an equal amount of 3% bonds.

BELL TELEPHONE CO. OF CANADA announces it has registered an additional 473 shares of capital stock under the Employees' Stock Plan, increased total issued shares to 867,054.

VIAU, LTD., transfer agents announce they have cancelled certificates covering 10 shares of their 5% first preferred stock, thereby reducing number of these shares outstanding to 7,953.

WANTED
Immediate Offers for
EXPORT
All types commodities
Cash against documents
Box 66, The FINANCIAL POST, Toronto.

TRENDS — SHORT AND LONG

Short trends frequently look attractive, but can be artificially created. Long trends often prove to be far more profitable.

Consult with us about your holdings.

GOODWIN HARRIS & COMPANY
STOCK BROKERS AND BOND DEALERS

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Do You Know

the economic and physical values of your plant and office buildings? It is important that a true evaluation be made.

For many years we have been assisting building owners in Toronto at arriving at a logical estimate of building values, both economic and physical.

We shall be pleased to have you consult us.

Member Toronto Real Estate Board.

J. D. McWILLIAMS
REALTY COMPANY
25 King St., West TORONTO

We are pleased to announce the return of
MAJOR A. J. O'DONOHOE
who has resumed his duties as a Director of this firm.

Lampard, Francis & Company Limited
66 King Street West
TORONTO 1

HAMILTON WELLAND

SEVENTH ANNUAL REPORT

— 1945 —

	1944	1945	Increase %
New Business	$ 5,168,203	$ 6,631,534	28.3
Business in Force	18,965,172	24,597,661	29.7
Policyholders	12,045	15,801	31.2
Assets	1,025,447	1,368,250	33.4
Receipts	450,742	601,512	33.4
Actuarial Liabilities	617,855	893,017	44.5

——— Incorporated in 1938 ———

THE LAURENTIAN LIFE
ASSURANCE COMPANY
Head Office: Levis, Canada

A copy of our report will be sent on request.

Wanted Experienced Corporation Securities Trader

Well known Toronto firm (Member Investment Dealers Association) requires experienced trader in Corporation Securities. Excellent connection for capable man of requisite character and ability. Reply confidentially, giving full details of experience and educational background. (Staff are aware of this advertisement.)

Box 142, The Financial Post, Toronto.

Canadian Canners Earnings Seen Up

Net earnings of Canadian Canners Ltd.,, before taxes, are expected to be substantially the same as for the year ended Feb. 28, 1945, The Financial Post understands. However, earnings after taxes may show a slight increase, as the company will have the benefit of a reduction in its excess profits tax for two of the 12 months. Based on 1944 operations this might amount to $50,000 or 36c. a common share. Earnings per common share were $2.68 excluding, or $4.85 including, refundable EPT for the year ended Feb. 28, 1945, but would have been $1.47 or $2.08 respectively if all second preferred were converted to common stock.

NEWSPRINT MILLS in Alaska are urged by U. S. Secretary of Interior Harold L. Ickes in a U. S. magazine. Mr. Ickes proposed a $20 million pulp and paper development in Alaska, which, he says would directly and indirectly provide a livelihood for 25,000 people. He suggests obtaining the settlers from Finland, Poland, Germany, Czechoslovakia and other European countries.

Dependability Is Paramount

J. H. Crang & Co.
4-4 Adelaide St. W.
TORONTO

MEMBERS
TORONTO, CALGARY AND VANCOUVER STOCK EXCHANGES
WINNIPEG GRAIN EXCHANGE

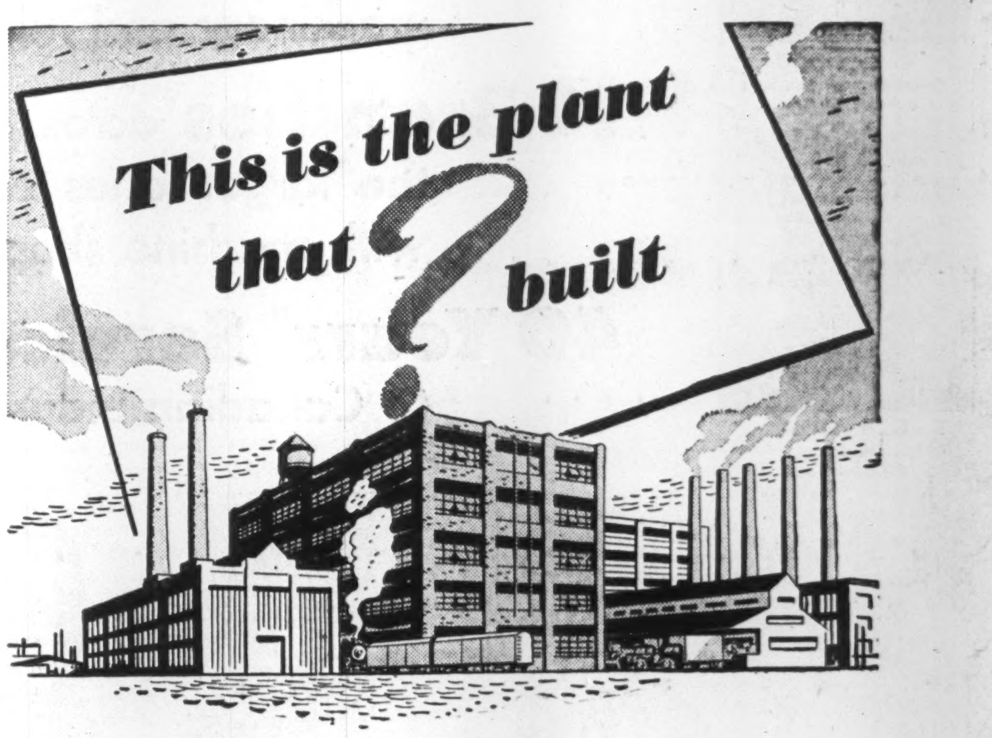
THE MODERN TRUST COMPANY

The modern trust company is a veritable financial department store. Here are to be found in operation many departments of financial business all under the care of fully trained and experienced officers.

These departments include the administration of Estates and Trusts, Trusteeships for Bondholders, Real Estate care and management, Registrar and Transfer agencies for incorporated companies, Insurance department – Taxation department for the completing and checking of income tax returns, Custodianships, and many others.

The service of such an organization as this is a most valuable one for companies or individuals.

Montreal Trust Company
Executors and Trustees
61 Yonge Street - Toronto 1
Gordon F. Harkness, *Manager*



TAKE any thriving industrial organization and ask yourself— who built it? Engineers, draughtsmen, mechanics, laborers . . . certainly they were responsible for building the physical structure

But there's another factor equally important—the factor of sound financing and sound management. Capital is a prime requisite in the development of all business.

This House has been associated with the underwriting and distribution of securities covering a wide range of Canadian industries. Our experience in corporate financing is at the disposal of investors and industry alike.

NESBITT, THOMSON & COMPANY
LIMITED
355 St. James Street West, Montreal, P.Q.
BRANCHES IN THE PRINCIPAL CITIES OF CANADA

RED DEER BRAND

BIRCH and HARD MAPLE FLOORING

"This name has long been associated with High Grade Hardwood Flooring and Northern Hardwoods; Spruce and Hemlock."

RED DEER BRAND

The MUSKOKA WOOD MFG. CO., Limited
HUNTSVILLE - ONTARIO

GENERAL TRUST OF CANADA
112 St. James Street - MONTREAL

STATEMENT AS AT DECEMBER 31, 1945

ASSETS

CAPITAL ACCOUNT:	
Total assets of the Company	$ 2,194,160.34
Guaranteed Accounts	1,926,480.87
Estate Trust and Agency Accounts	61,715,060.21
Safe Custody Account	46,093,387.20
	111,929,088.62

LIABILITIES

CAPITAL ACCOUNT:	
Accounts payable	732,332.45
Reserves	80,958.25
General Reserve	200,000.00
Profit and Loss Account	75,869.64
Capital Stock	1,105,000.00
Total	2,194,160.34
Guaranteed Accounts	1,926,480.87
Estate, Trust and Agency Accounts	61,715,060.21
Safe Custody Account	46,093,387.20
	111,929,088.62

SURPLUS ACCOUNT

BALANCE January 1st	62,221.56
PLUS: Net Profit for the year	68,648.08
	130,869.64
LESS: Dividends	55,000.00
BALANCE, December 31st	75,869.64

1. PLANS AND COPY. 2. LAYOUTS AND ART. 3. PHOTOGRAPHY. 4. ENGRAVINGS. 5. PRINTING AND OFFSET LITHOGRAPHY.

With our complete facilities, Brigdens are equipped to take all the details of advertising production off your shoulders—from initial planning to delivery of your catalogues, displays, direct mail and other printed sales literature.

Close collaboration among all departments in this complete organization enables us to accomplish production short-cuts which would be impossible if materials were assembled from independent sources. And it ensures sound, economical planning for top-quality reproductions.

These unique facilities are available to advertisers who are planning ahead now—to keep on top of their 1946 sales promotion job.

FREE ON REQUEST—"The Production Situation in the Graphic Arts Industry." Authoritative 16-page book of forecasts and advice on planning your 1946 advertising.

Brigdens LIMITED — CREATIVE ADVERTISING
ARTISTS PHOTOGRAPHERS PRINTERS LITHOGRAPHERS ENGRAVERS
RICHMOND AT UNIVERSITY, TORONTO
MONTREAL • WINDSOR • CHARLOTTETOWN

SERVING CANADIAN ADVERTISERS FOR 75 YEARS

INVESTMENTS THIS WEEK

New Wage-price Policy Depresses N.Y. Market

Perhaps the bearish New York market action of the past week represents an awareness by U. S. investors that President Truman's Feb. 14 wage-price policy tends, in effect, to limit industrial profits to the levels prevailing in the 1936-39 period. That's the interpretation to be drawn from a careful reading of the President's order which now sets the pattern for U. S. wage-price increases.

Immediate price increases, growing out of wage increases, will only be granted by OPA if they do not serve to bring industrial earnings above "the rate of return on net worth earned by the industry in the peacetime base period applicable to that industry." In the period 1936-39 net earnings in the United States represented an 8.6% return on net worth and the Dow-Jones industrial index averaged approximately 155. The 1946 high, reached earlier this month, is 207.

• • •

Bond Market Continues Into New High Levels

A sharp rise in short term bonds, particularly Ontarios and municipals, accompanied by continued strength in longer term issues, was a feature of investment markets this week. Ninth Victory Loan 3's of 1966 struck a new high of $104 7/8 to yield 2.62%, and up $2 since Feb. 1. Dominion 3% perpetuals climbed to $104¼ to yield 2.88%, up $1½ in the same period.

Good buying interest is reported in certain middle term bonds from the Canadian chartered banks and is believed the result of recent meetings with Ottawa. This, in turn, helped create a stronger term market as sellers reinvested in longer term bonds.

Adding to the strength has been heavy buying from U. S. investors in the last two weeks. Fear of U. S. inflation, plus better yields on Canadian and the confidence in the Canadian ability to fight inflation, is reported as increasing this buying.

With renewed strength in short term bonds, individual investors and other institutions may benefit from the higher prices in switching to longer term issues, dealers point out.

• • •

Shareholders Share is 1 1/20c Of Bruck Silk's Sales Dollar

Bruck Silk Mills Ltd. annual report for 1945 shows shareholders only receive 1 1/20c. of the sales dollar. In a pictorial chart the sales "silver dollar" is divided as follows: material cost, 49c.; wages, 18c.; factory expenses and supplies, 14c.; taxes, 8 1/3c.; administrative and selling expenses, 7c.; depreciation, 2 3/5c.; dividends paid, ¾c.; surplus account, 3/10c. Charts are also used to tell Bruck's story of employee growth, comparison of taxes to retained earnings and plant growth.

This is the first year the company has used such charts. Company reports which include similar informative features are likely to be welcomed by stockholders generally.

• • •

Canadian Industrial Alcohol Not Affected by U. S. Action

Weakness developed for a time last week in Canadian Industrial Alcohol stock in sympathy with selling in other liquor stocks, although Canadian Industrial Alcohol's business is entirely domestic and is not affected by the U. S. tightening of grain supplies for beverage alcohol. Officials of the liquor companies are not expecting as severe a cut in Canadian grain supply for beverage alcohol production as in the United States.

Canadian Industrial Alcohol for the quarter ended Nov. 30 reported earnings of 26 cents a share on the common (14 cents a share in corresponding quarter of previous year), due to increased release of liquor stocks for sale.

• • •

Massey-Harris Pf. Conversion To Reduce Common Earnings

The recent announcement by Massey-Harris that 161,198 shares of preferred had been converted into common raises the question of what will happen to common earnings in view of this and other possible changes in the capital structure of the company arising out of the various conversion features of the preferred.

Using actual 1944 earnings of the company as a yardstick, it is seen that after exercising the 2 for 1 conversion feature, earnings on the common would be cut from $1.10 per share to $0.97. Should the preferred shareholders exercise the 1½ for 1 conversion privilege in full, earnings per share would be reduced to $0.94.

Full preferred conversion would bring net earnings per share common back to $0.97.

• • •

E. G. Bulmer & Co. Sees Selling Period For Stocks

One interesting Canadian market indicator, E. G. Bulmer & Co.'s Composite Bank Line, is again pointing to a selling period for stocks. For five weeks the Composite Bank Line has been dropping at a progressively faster rate "reflecting a contracting economy." Three more weeks in the same direction will confirm the selling period.

The Financial Post (Dec. 1, 1945) reported that this Toronto firm of investment dealers, which provides a market service for investors, had been advising its clients to sell throughout October and early November, 1945, following an eight weeks dip in its bank line — the key to its forecasts. Before the selling period was completed the bank line turned up and continued up for 10 weeks, giving a buying signal while Bulmer & Co. advised its clients to wait before observing it.

The firm says the further decline in the bank line which is now in progress may well be a continuation of the contraction in economy which was evident in the fourth quarter of last year and the 10 weeks expansion which intervened, a distortion caused by exceptional year-end trade.

SCOTT H. W. FYFE

appointed executive assistant of the Canada Life Assurance Co., was formerly publicity executive.

Expect Little Market Effect From 50% Minimum Margins

Brokers do not expect that raising the minimum margin requirements on new business to 50% will have much effect on business a Financial Post survey indicates. All contacted approved of the move, stating it would help to keep those unable to afford the risk out of the market, or else might reduce the risk of panic selling in a falling market. For those who are bound to speculate it will only mean buying a smaller number of shares of a particular stock, or else buying a cheaper stock.

Chiefly affected will be the mining houses dealing in "prospects." In this field the speculative fever is the greatest, with many operating on minimum margins. About 75% of the business of many brokerage houses has been for cash. The Post is told. Some do entirely a cash business, while others indicated their margins were mostly over the 50% level already.

Little or no sellin is expected from te new rule as brokers have four months to raise existing margin accounts to the 50% minimum basis.

Minimum margin requirements on new business from Feb. 18 will be:

Toronto—50% on stocks selling $2 a share and over with no margin allowed on transactions in stocks under $2 a share. (Formerly rates called for no margin for stocks under $2 a share, 40% on shares selling between $2 and under $4, 33 1/3% at $4 and under $40 and 30% at $40 and over.)

Montreal—Cash for stocks selling $1 a share and under and 50% on stocks selling more than $1 a share with a minmum margin of $1 a share which must be maintained. Deals in mining and oil issues not traded in on any recognized stock exchange call for cash payment.

Chartered banks will require the same margin as the exchanges for stock loans but will not follow the U. S. practice of requiring an affidavit that proceeds of personal loans will not be used for stock transactions, The Post understands.

The exchanges announced that there is no suggestion that the amount of credit being used in the security markets is dangerous at present, but it was thought that now is the time to take precautionary methods to see this does not develop.

Member firms are not restrained from exacting higher margins, as the new regulations are minimum requirements, it is pointed out.

B. C. May Pay Half Housing Project Cost

VICTORIA (Staff)—British Columbia is planning aid to municipalities in connection with the national low-rental housing scheme.

The Dominion Government bears 50% of the cost of clearing the sites and the province may now assume the balance which the municipalities have been paying.

$128,000.00

TOWN OF COCHRANE, ONTARIO

3½% BONDS FOR SALE

Principal and Interest (Annual) payable at the Bank of Nova Scotia, Cochrane, Ontario.

Purpose

For the purpose of augmenting the existing Town Water Supply and providing an impounding reservoir, filtration and water softening plant in conjunction therewith.

Tenders for the purchase of these Bonds should be mailed to E. J. MacVittie, Clerk-Treasurer, Town of Cochrane, Ontario, in sealed envelope marked "Tender for Bonds" and must be received at the Town office not later than noon, March 26th, 1946. Highest or any tender not necessarily accepted.

Further particulars on matters pertaining thereto may be obtained from the above named Clerk-Treas.

THE BREITHAUPT LEATHER COMPANY LIMITED

Breithaupt DRI-BREIT SOLE LEATHER

Is Watertight AND Wears like iron

THE BREITHAUPT LEATHER CO. LIMITED
Kitchener, Ont.

For A TOP SALES JOB IN A TOP MARKET...

Use THE TOP MEDIUM!

In bi-lingual Montreal the Star is not only the TOP medium, but the ESSENTIAL medium for doing a 100% coverage job, at one-paper cost, in the rich, responsive English-speaking market.

English Families in Montreal	113,947
City Circulation Montreal Star	117,421

The Montreal Daily Star.
"Canada's Greatest Newspaper"

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920

Head Office - 25 KING STREET WEST - TORONTO

BRANCHES

MONTREAL 360 ST. JAMES ST. WEST	G. W. M. WEBB
WINNIPEG 500 LOMBARD BUILDING	J. W. GILLESPIE
HAMILTON PIGOTT BUILDING	S. S. DuMOULIN
LONDON 284 DUNDAS STREET	R. S. MORPHY
QUEBEC PRICE HOUSE	J. BENSON WILLIAMS

WAR ASSETS CORP. reports following consumers' goods items being made available through regular trade channels: winter coats converted for civilian use from 8,500 naval ratings greatcoats; 20,000 coveralls, 29,300 cardigan jackets, 24,000 pair of airmen's flying boots, 170,000 7-ounce tins of canned heat and 76,000 metal tripods to hold the tins.

EASTERN CAR CO. has received an order from Belgium for construction of 1,200 railway cars. The order will keep the New Glasgow, N.S., plant busy for a year. The plant is completing construction of 1,000 cars for the CNR and 50 railway coaches for the CPR.

TRUE STORIES OF CANADIAN ACHIEVEMENT

By GORDON SINCLAIR
Internationally-famous journalist, radio commentator and author of several best-selling books.

FROM LAKE TO MINE *In One Year*

IN 1937 Canadian engineers confirmed a prospector's hope that rich iron ore lay under Steep Rock Lake in the bush country near Port Arthur. To mine that ore a fast flowing river would have to be moved, enough earth for a mountain would have to be shifted, and a lake would have to be drained. The most optimistic report said that this would take four years in time and millions in money . . . and that was too much.

Then Hitler struck at our liberties and no amount of time, money or effort was too much. The order flashed out to drain that lake, shift that river and move that mountain, not in four years, but in one! The result was one of the greatest engineering triumphs in Canadian history.

Huge pumps were designed and built . . . the biggest ever seen in North America. The Seine River was blocked so that it would not pour into the lake as quickly as the pumps could drain it. A power line was rushed from Port Arthur to drive the pumps.

Those fourteen pumps . . . each powerful enough to create a river of its own, were each mounted on a barge, towed into the lake and set to work. From the moment they swung into action no pump stopped or faltered, and the first shipment of ore was made within a year—12,500 tons of it.

While the lake was being drained defeated Nazis blasted the dykes and flooded the fertile farmlands of Holland. Quickly Dutch engineers flew to Canada to inspect the mighty pumps that had drained a northern lake. Today those Steep Rock suctions, and others like them, are helping to salvage the farmlands of Holland, and 1946 will see 2,000,000 tons of iron ore shipped from the mine that was once a cold blue lake in the middle of a Canadian forest.

AS IN WAR . . . SO IN PEACE:
Canada is capable of building works to benefit all mankind, comparable with any nation. This is the second message of a series intended to inform and inspire our people with stories of the peace-time achievements of our engineers and men of science. Offered in the public service by . . .

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Are 15 Millions Enough?

The special population report issued by the Dominion Bureau of Statistics last week should start Canadians thinking seriously. Based on present trends and barring unusual developments this report sees Canada reaching a peak population of 15 millions in 1990, and a nation made up of a much higher percentage of older people than is the case today.

Compared to some of the optimistic boasts made during our greatest expansion period, this maximum growth seems fantastically small. Those optimists, however, completely ignored three vital factors which were to check our increase materially after 1914. These were:

1—Heavy emigration to the United States.

2—Smaller Canadian families.

3—Sharp decline in immigration from Europe.

Whether they were optimistic or not, the fact remains that the builders of this country had much more than a mere 15 millions population peak in mind.

Transportation, government, and general development was planned on a scale much greater than would be normally carred by a narrow strip of population along the northern edge of the United States. Areas similar in climate and natural resources elsewhere on this globe are much more thickly peopled than Canada.

But unless we want to and do something about it then we must reconcile ourselves to a total growth little better than that already reached. There are some who argue that is just an inevitable result of geography, climate and economics; that in the foreseeable future we cannot provide more useful jobs than a nation of 15 millions really needs.

But that also means that those 15 million people will have to carry the overhead of a country more than half as large as Europe, that some day they may have to convince an overcrowded world that we have no room to spare. If we think 15 million people will not be sufficient to bear such a burden then something must be done at once about those three factors which our fathers overlooked.

Why Fear Margarine?

From the squeals of protest emitted by some spokesmen of the dairy industry every time anybody refers to their successful lobby which high-pressured the Government into banning oleomargarine in Canada, we can only conclude that theirs is a pretty bad conscience in the matter.

Dairymen have produced more whole milk, the raw material for all dairy products, but they have been unable to keep Canadian consumers supplied with normal wants in butter. And this lack is particularly felt in a country like Canada where there are no great natural supplies of vegetable oils.

Judged by the record of the last five years Canadian dairymen have nothing to fear from a supplementary food product like margarine. The domestic market plus an established export to Britain in cheese and powdered milk, have demonstrated that there is a demand for their total output. In their insistence on a butter monopoly, however, they are arousing the just criticism of consumers and weakening the general case of all agriculture for wider world markets.

In this opposition to what, at best is an emergency substitute, Canadian dairymen are singularly out of step with their up-to-date fellow producers in Denmark and Holland. In both those largely dairy countries, as well as the United States and Britain, margarine is manufactured and sold freely.

Penalizing Initiative

The plight of the taxpayer today is serious and warrants immediate attention, warned S. C. McEvenue, vice-president and general manager of Canada Life Assurance Co., speaking before the annual meeting of that company. There will be general agreement with that statement and also with the argument that the growing tendency to shift business from private hands to co-operative and government control, is aggravating the problem by constantly narrowing the tax base.

Said Mr. McEvenue:

> "Some of us believe that one way to ease the burden of present difficulties in this still largely undeveloped country is the adoption of measures which will attract capital, attract new industries and encourage immigration rather than emigration. The present tax scales and their methods of application, in our opinion, work directly against these objectives."

The general manager of Canada Life cited specific instances of the way the present tax system actually penalizes initiative, with the Government getting the lion's share of salary increases, which should be the natural reward to the individual of exceptional ability.

> "One of the greatest assets of any nation is the intelligence, initiative and industry of its people. The obviously progressive course is to encourage in every possible way those who have these qualities to such an exceptional degree that they are able to contribute substantially to the welfare of the nation as a whole.
>
> "If special ability is penalized to the point where incentive is destroyed, or the possessors of that ability are forced to seek employment beyond our borders, we embark on a shortsighted policy which will retard prosperity and will drastically hamper our national development. It is upon the brains, knowledge and energy of this group that a country must largely depend for the measure of its success in converting natural resources into national income."

In its concentration on immediate revenue that vital point is almost completely ignored in our present taxation system.

They Mean 20% Raise

Canadian Congress of Labor headquarters last week appointed a committee to push the drive for the "same pay for 40 hour week." It is to be hoped that the general public is not fooled by this thin camouflage.

Actually what is being demanded is a straight wage hoist of 20%, if labor is to be paid in future the same weekly wage for 40 hours of work as it now receives for 48 hours. If that demand is granted then it means that a product that now costs $50 to produce will cost $60 and consumers will have to foot the bill. That being so, then who gains? Nobody at all if every producer, union and nonunion, white collar and farmer, shares evenly in the rise. Everything goes up 20% and we are back exactly where we started except that having hoisted prices 20% we may have automatically shut ourselves off from some export buyer over whose income we have no control.

On the other hand if only CCL-CIO workers are to get the 20% increase, then they will gain at the expense of the farmer and the white collar worker who will have to pay more for their goods without any compensating increase in income.

Good Work by Bar Association

New divorce law, revision of the Criminal Code, reform of the penal system, reduction of the cost of division court procedures—those were some of the recommendations made at recent Toronto meetings of various committees and sections of the Canadian Bar Association.

The public generally will welcome these indications that the legal profession—the group surely best fitted to tackle these problems—is at work trying to make our nation's legal machinery serve better the general welfare.

Because they work so quietly and patiently in the background, the general public may be excused if, most of the time, it forgets that various Bar Associations (national and provincial) have committees studying means of making the law and the machinery of the law a more effective instrument of fair play.

A proposal from an Ontario committee of the Canadian Bar Association that grounds for divorce in Canada be extended was recently opposed by Justice Minister St. Laurent. The Financial Post is informed that the matter is not being dropped, however; that it will get further consideration at the CBA annual meeting this summer.

A great many Canadians who, though deploring divorce, regard present divorce legislation as barbaric and insulting both to people, the legal profession and to the courts, will applaud the courage of the legal profession in tackling this thorny problem. There is no other organization available to speak up for the public on such a question other than a bar association.

Reform of the penal system is another job where lawyer associations can give indispensable leadership. Here is a problem which governments avoid touching without the spur of an aroused public opinion following sober and informed leadership.

The evidence makes it very plain that our penal system in Canada is a tangle of conflicting jurisdictions, that it costs a lot of money and that it has very poor success in turning its "graduates" into passable citizens. The Archambault report of 1938 made it clear enough that drastic overhaul was long overdue.

We mention these studies and schemes of the legal profession not only out of respect for the motivation of the work, but because we doubt if laymen generally realize that such work is afoot in this quarter.

It is to be hoped that the legal profession will learn to be less secretive about its work for the future. In ages past secrecy was the guiding rule of magicians, medicine men and other practicers of the so-called black arts. In today's world speaking and doing in plain public view is the only safe rule for all professions and businesses. Today public respect and confidence is accorded not by what a profession or individual thinks it deserves, but by what it wins.

Lawyer associations would do well indeed to let the public know more about what they are working on; to give public opinion a chance to fall into line behind them.

Still Waiting for Their Money

Shareholders of Montreal Light, Heat & Power Consolidated are still no farther ahead now than they were in April, 1944, when the physical assets of their company and its operating affiliates were taken over by the Quebec Government without recompense. Despite the fact that the creation of a three-man Board of Referees was a forward, albeit long-overdue step, the shareholders still have no assurances that these hearings will be of short duration.

In the interim, and pending a final decision, they will probably continue to suffer, as they have in the past, real losses in realizable value on stock and dividend account.

Historically there are two significant dates in the story of this expropriation:

(1) April, 1944, when the expropriation was legally effected, and

(2) December, 1945, when the third member of the Board of Arbitrators, appointed to place a value on the property, was selected.

The period of time that elapsed between these two dates, during which the Government never paid a cent for the properties it acquired, was of such a duration that the stockholders now have every right to expect a reasonable settlement within a reasonable period of time. It is up to the Government of the Province of Quebec to ensure that this settlement be expedited as quickly as possible.

There is not alone the question of equity to the shareholder to be considered. The question is deeper and more fundamental than that. It concerns the over-all question of government responsibility vis-a-vis the private investor. If the Province of Quebec wishes to maintain its credit not only in this country but in the United States, then it ought to see to it that it discharges its simple responsibilities to the shareholders of Montreal Power without further delay.

The Quebec Government certainly cannot hope to interest business investment in its province, with the corresponding opportunities for industrial expansion, as long as its delayed action in the Montreal Power case stands out so flagrantly.

Stop Me If —

"Look here, Sarah," said the master of the house, "how many more times have I to tell you about these cobwebs? I've just had to sweep one off the bed-rail and throw it in the fire myself."

"Good gracious, sir," exclaimed the maid, "that's the missus' fancy dress for tonight's dance!"

* * *

A business agent was recently in the divorce court. The judge, in handing down his decree, addressed these words to the defendant:

"I have decided to give your wife $50 a month."

"That's fine, judge," said the agent, "I'll try and slip her a couple of bucks myself once in a while."

* * *

The newlyweds had just gotten off the train.

"Joe, dear," said the bride, "let's try to make people think we've been married a long time."

"All right, darling," was the reply. "You carry the suitcase."

Post Scripts

Heads Life Underwriters

Patrick Michael Monahan has just been elected president of the Life Underwriters Association of Canada. With that name and the fact that his birthday is March 17, it is hardly necessary to add that he is of Irish ancestry.

MR. MONAHAN

He would have been born in Ireland, too, had it not been that his ancestors on both sides came to Canada from the old sod about four generations ago. So Monahan was born at Norton, New Brunswick, in 1897, which makes him 49 this year.

Of medium height and clean-shaven, he is a quiet, sincere chap and just as proud of his Irish blood as of his Canadian nationality. Accordingly he is never seen without something green in his attire.

Like many other successful insurance men, he came to the business from the teaching profession. He joined the sales staff of the Canada Life at Saint John in 1923. Immediately successful, he qualified in the next few years five times for the company's top Quarter Million Club and seven times for the Century Club. Part of this time he was stationed at Moncton.

In 1936 he came to Ontario and since 1943 has been in charge of Canada Life operations north of Toronto.

* * *

War-to-Peace Flying

Six of the eight years of the public service career of Trans-Canada Air Lines have been under war conditions during which its efforts were keyed to wartime requirements. During at least three years of that time there has been intensive planning for the day when the company knew it would be called upon to increase domestic service and extend operations beyond frontiers of the country.

MR. McGREGOR

In preparing for the anticipated increase in business during years of peace, it has named a new general traffic manager with a distinguished record as a war flier with the RCAF. The appointment of Wing Commander Gordon R. McGregor, with headquarters at Winnipeg, was announced Feb. 1 by W. F. English, vice-president of the service.

McGregor is a veteran of the Battle of Britain. Enlisting for active service in 1939, he was posted overseas in June, 1940, as second in command of No. 1 Canadian Squadron. In the historic Battle of Britain he had an official score of five and a half enemy aircraft destroyed, seven probables and eight damaged.

In January, 1941, he was given the command of the Second Canadian fighter squadron and the following April became a wing commander.

In October, 1941, he came back to Canada. Only a few weeks after he was transferred overseas again to do a three-months' tour of duty in the tactics branch of the air ministry. Back from overseas again in May, 1942, he was posted to Alaska as commanding officer of the Canadian wing sent there soon after Pearl Harbor. He took command of the RCAF station at Patricia Bay, British Columbia, in March, 1943.

In February, 1944, he was sent back overseas. In July he was posted as second in command of a wing in the Second Tactical Air Force. He was returned to civil life in October, 1945.

McGregor was awarded the Distinguished Flying Cross in 1939 and the OBE. in 1943.

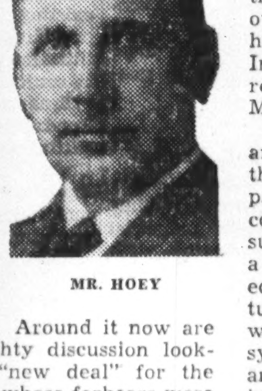
Apart from its Atlantic service, Trans-Canada Air Lines carried 156,884 revenue passengers in 1944, an increase of 12% over 1943. Its annual report for 1945, soon to be tabled in the House of Commons during the parliamentary session, will show an increase of perhaps between 20 and 30% over its business of 1944.

As general traffic manager McGregor takes over his new duties when the company is getting ready to increase both transcontinental and intercity schedules as soon as personnel and equipment can be obtained. Plans for international flight routes, other than the Atlantic service, were still tentative, stated the last annual report, but considerable progress is recorded in the report for 1945. A year ago it was stated the West Indies, South America and the Pacific were areas of interest to the company.

* * *

Indian Contact Man

In a large room on the seventh floor of the Booth Building in Ottawa there is a good-sized circular table around which is transacted the affairs of state in matters affecting Canada's 126,000 Indians. The table belongs, by custom, to Robert A. Hoey by reason of his being Director of the Indian Affairs Branch, Department of Mines and Resources. Actually, it is the original council table used by Sir John A. Macdonald in the early days of Canada's founding. Sir John, at the time, was also the responsible minister for Indian Affairs. Through the years the table has remained with this administration. To it have come the great chiefs and spokesmen of the Red Men. Around it now are being held weighty discussion looking towards a "new deal" for the men and women whose forbears were once the sole and proud possessors of this Dominion.



MR. HOEY

Hoey has been top man in Indian Affairs in Canada for the past 10 months. He has been connected with Indian Affairs in Canada for nearly 10 years. In that time some progress has been made to overhaul outworn attitudes and streamline this important administration. Judging by the recent speeches in Parliament, much more is going to be done in the near future to put government relations with the Indian population on a much sounder footing. The Indian Act itself long due a revision, is almost certain to get overhauled this year. Most likely manner will be through a Parliamentary Committee.

Hoey is a North of Irelander, son of a farmer, who came to Canada to seek a livelihood when he was 26. His forbears had been farmers for many generations in and around Enniskillen and the love of the soil was in Robert Hoey's blood. What he sought from the new land was an education and a chance to "get ahead." He made his way first to a brother in Montreal, then to the Rainy River district, where he did missionary work for two and a half years. He pushed on to Wesley College, Winnipeg, and graduated from there in 1915. Eventually he got into politics in Manitoba. He resigned in 1925 to help organize the Wheat Pools. A few years later he was back in politics again, this time as Manitoba's Minister of Education under John Bracken. Later, with education, he combined the portfolio of Minister of Welfare.

He was defeated in 1936 and joined the Federal Government as Superintendent of Welfare and Training in the Indian Affairs branch. Something over a year ago Dr. Camsell asked him to take over administration of Indian Affairs from Dr. McGill, whose resignation took effect officially last March.

If, as and when Parliament gets around to reviewing the Indian Act this year, members will find this department now in charge of a man with considerable talent and aptitude for such a job. Robert Hoey is a bit of a missionary, he knows a deal about education, quite a bit about agriculture and about welfare matters. As well, in his Irish heart he has much sympathy with those who in this or any other country have a passion to improve their lot and to rise above the bonds of a tenant relationship to Mother Earth.

—Cartoon by Grassick.

DOES THE LADY AGREE?

Building Trades Training—Major Bottleneck

Output of Skilled Building Workers Must Be Greatly Increased

Speaking to the Canadian Construction Association in Winnipeg, Joseph M. Pigott, Hamilton, past president, analyzed some of the causes and possible consequences of shortage of skilled building labor. Salient points made by Mr. Pigott are given in the digest below.

We have a very large building program in coming years, an alarming shortage of mechanics to handle it. We must train mechanics under high pressure methods to make up the arrears, using both apprentices and adult trainees; add others each year to maintain the force once it is established.

The backlog of construction may be $6.6 billions—about $2 billions for buildings generally, $2 billions for 500,000 housing units, $2.6 billions for public works. Any approximation indicates volume will tax our capacity for a long time.

Capacity of the industry is rated at $500 millions in the first postwar year, $650 millions in the second, $800 millions annually thereafter. The force required for a $500 millions volume is estimated at 167,000 men, somewhere between 85,000 and 100,000 of them skilled. We have been turning over about $500 millions a year for the past few years. Have we had enough men? We know we have not.

We have about 100,000 building trade mechanics in Canada, including those still in the armed forces. Even if we had all 29,000 back from the armed forces we would still not have enough to tackle a $500 millions Postwar Year 1 program. In the second postwar year, with a target of $650 millions volume, we would need 130,000 men; in the third and subsequent years, with an $800 millions program, we would need 160,000 men, or 60,000 more than we have. And it must be remembered that $800 millions at present dollar values is not much bigger than years we have had in the past.

Here are some ways we can add 60,000 tradesmen:

1. Upgrade partially trained men.
2. Train all veterans who can be persuaded to take current rehabilitation courses.
3. Dilute trained forces we have.
4. Expand apprenticeship.

Of these, apprenticeship expansion looks the most promising. We must enlist all the apprentices the volume of work will absorb. Trade unions are co-operating in every way. In Ontario they have agreed with plans advanced by the Federal Government to take on adult apprentices from the armed forces. I am confident they will go along with any efforts the industry makes to keep construction work in the field.

We need 60,000 mechanics. It takes three to four years to train an apprentice. To place any such number of boys or men in training is impractical. We have, as I have said, 100,000 mechanics in Canada now. Under normal conditions the ratio should be eight mechanics to one apprentice. Under present conditions it could easily be five to one or even less until the shortage is made up. But we will not get boys in such numbers, nor the employers. We should have 15,000 to 20,000 civilian apprentices working now. We have less than 2,000. And, remember, this is for four years.

Veteran enrolment in building trade courses at rehabilitation centres at Nov. 30, 1945, numbered 1,721; another 712 graduates had been absorbed into the construction working force. This training will go on for perhaps two years; net result, say 2,000 graduates, obviously not the answer.

Our problem is to build up to a figure of 15,000, which will take several years, and then keep induction at the rate of 4,000 a year to replace the 4,000 a year that should start graduating in the fourth year.

All this is a wild dream unless the employer begins to do his part. I know employers who have 10 or 20 apprentices. But the great majority have none.

Buildings will go up. Will building continue to be our business or will it pass—as it has been passing—into other hands? Do we build them — or the Henry Fords, aluminum, steel, glass and gypsum companies?

Today, under conditions growing more and more onerous, we see announcements with increasing frequency of whole bathrooms and kitchens assembled back to back and factories purchased to turn them out on a production line basis; airplane factories converted into building aluminum-clad houses, sold f.o.b. cars, Montreal.; assembled patented windows, sheet plaster board; steel door frames; painting replaced by "baked-on enamel."

Do you think our field of operations cannot fade and disappear? Any business or industry will disappear when it fails to give the service necessary to progress.

Unless we put 15,000 apprentices into training as fast as we can, and keep training at such a level, we cannot give service, cannot carry out programs that our nation demands, and we will have to get out of the way. We can offer excuses for taking twice and three times as long to do work today. We have war conditions and their aftermath to fall back on. But what excuse can we find tomorrow?

What Others Are Saying

Editorial of the Week

Full Enquiry Essential

Montreal Standard

The extremely serious nature of the espionage revealed at Ottawa warrants the fullest of enquiries and the firmest of action. Appointment of two Supreme Court justices as Royal Commissioners shows the extent of the concern felt by Ottawa.

The affair is at present sub judice. Its implications and ramifications are obviously great and its effect is bound to be felt throughout the world. Speculation is inevitable and like all speculation is certain to be in many ways inaccurate. Because of these things it is of vital importance that the investigation be as complete as possible and that when the facts are known they be made public.

This is essential no matter what individuals or what nations are involved. Canada herself must suffer for this leak of "secret and confidential information." That damage to our country can only be mitigated by the most vigorous action.

Other People's Views

A SOLUTION FOR THE BUTTER SCARCITY is offered by the example of the provincial liquor control board, suggests the **Vancouver Sun.** The liquor commissioner could do this "in the twinkling of an eye, without a lot of fuss about coupons and due dates. If he was commissioner of that commodity, he'd decree that a pound of butter should be 12 ounces or 10. Then he might stretch the supply a bit farther by adding a little water and putting a false bottom in the carton. Everybody would get a 'pound' of 'butter' as per ration date. The price, of course, would remain the same—if it didn't go higher."

NOT EASILY MOVED BY WORDS are the powers of Parliament Hill, observes the **Ottawa Journal,** "and such problems as housing are passed from one department to another without action by any of them."

DANGEROUS STAGE in Dominion-Provincial talks is seen successfully passed, by the **Saint John Times-Globe.** "The most dangerous phase of the conference was that which has just ended, at which the provinces made their demands known. If there had been such differences of opinion that there was no hope of eventually reaching a successful conclusion, the whole thing would have blown up at this stage. The fact that the provinces and the Dominion are to get together again as early as April, and an optimistic statement by Prime Minister King, are indications that hazards have been evaded and that the road now points toward an agreement."

CANADIANS MUST WONDER at the suddenness of the world food crisis says the **Edmonton Journal,** which adds: "What actually misled both the United States and Great Britain, or whether the governments of both countries just hoped, with blind optimism, that things would work out all right, or whether they felt they might be helped politically by premature easing of food restrictions, is not revealed. In any case, the event has proved both were dangerously wrong in their earlier decisions.

"The stark truth is that a large part of the world is woefully short of food. Millions and millions of men, women and children are hungry. Those with plenty must share, even to the point of 'inconvenience.'"

A SINGLE INCOME TAX is favored by the **Calgary Herald,** which points out: "The six states of Australia have just set an example to the nine Canadian provinces which may or may not be followed. They have decided in favor of continuing the wartime plan—also adopted in Canada some years ago—of exclusive federal collection of income tax.

"Among the arguments advanced in favor of a single imposition and collection of income tax are that it is much more economical, a great convenience to taxpayers, and that one government is less likely to impose heavier schedules on income than two competing for this lucrative and easily collected source of revenue. But the representatives of the states in Australia, like several premiers in this country, have voiced disapproval of the principle of exclusive possession by the federal power of this tax field."

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Feb. 23, 1946

More Information in Company Reports?

The Question: Do present company report regulations in Canada result in adequate disclosure of information on company operations and financial conditions? What suggestions?

W. A. Arbuckle, C.A.

Sec.-treas., Great Britain & Canada Investment Corp., Montreal.

Present regulations seem satisfactory. Study of the Cohen Committee's recent report on British Company Law Reform indicates the Dominion Companies Act covers several of its recommendations. One main recommendation is interesting to Canadian holding companies—the publication of consolidated financial statements.

Objections exist to a standard form of accounts and to companies disclosing sales revenues, production selling costs, administrative and management expenses. Such standardization would not reveal comparative efficiency or provide as reliable economic data as is available through official channels. Some accounting reforms demanded may only confuse the average investor and minimum legal standards should not tend to become maximum practical standards.

* * *

Col. L. D. M. Baxter

President, Osler, Hammond and Nanton Ltd., Winnipeg.

Present company report regulations in Canada certainly do not result in complete disclosure of information of company operations. The company's operations are disclosed through its operating account and the majority of these, as published, are condensed. Consequently, shareholders find difficulty in interpreting the nature of the company's operations. I do not believe that the majority of companies desire to conceal information from shareholders, but in many cases are loath to disclose too much information which would pass to the knowledge of competitors.

The situation could be improved if companies would undertake to circularize shareholders half yearly providing circulars contained reliable and informative facts regarding companies' affairs. It is probable stock exchanges could assist in remedying the situation by urging all listed companies to adopt this procedure, keeping in view that the balance sheet, when published, is more or less ancient history in that it is not, as a rule, mailed to shareholders until three or four months after the close of a company's year.

* * *

Courtland Elliott

Director, A. E. Ames & Co., Toronto.

Having regard to various circumstances involved, I feel that the information on company operations disclosed to shareholders and others is reasonably adequate. Publication of total net sales would be helpful wherever it is possible.

* * *

J. G. Godsoe

Executive vice-president, British American Oil Co., Toronto.

The legislation governing information required on company operations is adequate enough. What very often is not adequate is the way in which this information is presented to the public.

A company's operations are very personal in the life of a shareholder or an interested member of the public. The intricacies of balance sheets and profit and loss accounts should be presented therefore in simple, human and vitally interesting language which everybody understands. This is being done by companies more and more, but there is still room for improvement.

* * *

Gordon Gowling, K.C.

Gowling, McTavish & Watt, Ottawa.

It is my opinion that the law applicable to Dominion companies preserves a desirable and reasonable balance between public and corporate interests. A corporation is required to disclose sufficient information to enable a reasonably cautious investor to assess the investment possibilities, but is not required to disclose information which, while of some assistance to the investors, would be unjustified as enabling competitors to take unfair advantage. Generally speaking, it would seem that the information required to be disclosed is such that no company should object to its disclosure.

* * *

Kenneth J. Morrison

Harvey, Morrison & Co., Calgary.

The Dominion Companies Act, 1934, and amendments thereto require a relatively high standard of information to be disclosed. These standards, however, can only be regarded as the minimum and some additional requirements would, in my opinion, provide for the disclosure of all essential information. It is recommended that where subsidiary companies are involved the names of such should be given. In the preparation of the profit and loss account it is suggested that the total sales and cost of same resulting in a gross profit figure should be shown. The total operating expenses should be given and the net operating profit as provided by the Act disclosed.

* * *

A. H. Paradis

President, Paradis & Son, Montreal.

Canadian corporations in which there is a public interest could certainly broaden the scope and detail of their annual and periodic reports from the standpoint of good public relations. The consuming public and labor, as well as stockholders, should be fully informed not only of the financial condition, but also of the general trend of business in the pertinent company.

Disclosure of interests in, and activities of, affiliated and subsidiary companies is also a point which might well be given broader attention. Good management has nothing to hide and existing regulations appear quite adequate to protect the investing public. Imposition of additional government controls might well further impede industrial reconversion and progress.

* * *

Prof. R. G. H. Smails

Queen's University, Kingston.

Company report regulations of the Dominion Act are creditable but could be improved, such as by clarification of basis of inventory valuation, disclosure of inventory reserves and clearer indication of the nature of all other reserve items.

Regulations of the Ontario Act are so archaic as to be of little use. There is no recognition of the existence of a holding company or the problems of reporting which such a company presents. There is no requirement of information concerning bases of valuation of assets and no disclosure of essential income and expenditure items, particularly depreciation.

WHAT'S NEW IN BUSINESS

Housing Shortage is bringing new faces into the U. S. building field, including ex-boxing-champ Gene Tunney as president of the newly incorporated Stamford (Conn.) Building Co., and John Boettiger, son-in-law of Mrs. Franklin D. Roosevelt, as among organizers of a new Seattle house building firm. Tunney will weave in with low-cost houses but "won't neglect the $60,000 house market."

* * *

Insulating Windows of the multi-pane type seen increasingly in Canadian building, may be made in Canada again. Negotiations are understood proceeding between a Canadian manufacturer and the U. S. producer, looking to Canadian production of a unit widely used across the border. The unit is similar to "Aircon," production of which was discontinued two years ago by Duplate (Canada) Ltd., Oshawa, Ont., and to "Thermopane," made by Libbey-Owens-Ford, Toledo, and distributed in Canada by Hobbs Glass Ltd.

* * *

Braille Micrometers to help skilled tool and instrument makers, blinded in battle, pick up their trades again, have been developed by a Sheffield, England, firm at the request of Britain's National Institute for the Blind. Two models were shown at the recent Gauge and Tool Makers' Exhibition in London. In principle identical with ordinary micrometers, the new tools have relatively large drums equipped with Braille characters. There is also a system of gearing and drums, suitable for use on standard micrometers.

* * *

Seaweed Rayons are said to make new cloth designs possible. Seaweed rayons can be woven into a fabric of another material such as cotton or wool and then dissolved, thus resulting in a cloth of new design. Also it is stated that untwisted cotton may be woven by using a yarn which consists of both cotton and seaweed rayon. In making the yarn, only the seaweed rayon takes the twist. After cloth is woven, seaweed rayon can be dissolved, leaving what is said to be an extra strong cotton fabric of untwisted cotton.

* * *

South Wind Heaters for automobiles are said virtually nonexistent so far as Canadian motorists are concerned this year. distributors report so few from the Belleville, Ont., assembly line that they serve only to aggravate the current demand. Material shortage, labor troubles in the U. S. and Canadian price control are said to be partly to blame for the situation. Specifically mentioned is a strike in the U. S. plant supplying heater cores.

* * *

Addison Industries is reported to have spent $510,000 for 400,000 sq. ft. of floor space used by John Inglis Ltd. during the war for machine gun production. It is understood the two-story plant on Hanna St., Toronto, is to be used by Addison for manufacturing an extended line of household radio and electrical appliances.

* * *

Multi-Matic Accounting is a Remington Rand Inc. development for speeding up accounting and payroll preparation in small businesses in the 20-50 employee bracket. A drawing board arrangement with a sliding roll and a lining and carbon copying device is the basis of it, enabling the accountant to make up payroll journal, earning card, cheque and cheque stub with a single writing. It is estimated to save 40% in cost, up to 66% in time. Now in use in the U. S., Multi-Matic Accounting is not expected in Canada for some time . . . expense of adapting the system to Canadian payroll forms at present is considered out of proportion to the potential market.

* * *

Mobile Brick Plant reported in The Financial Post, Nov. 17, 1945, which inventors in Australia claimed could turn out 10,000 bricks daily by using an electronic process for heating and drying was alleged by government and building investigators to be impractical. No further efforts will be made to develop this process in Australia since costs of plant and production are both said to be inordinately high.

* * *

Banks in Housing are becoming a United States commonplace. Banks in Canada lack legal authority to engage directly in real estate ownership except for their own use but U. S. savings banks were authorized by law last year to pool their funds for investment in large-scale housing projects. Now a New York City development is further illustration of a recent trend. Nine large savings banks there, under sponsorship of Savings Banks Trust Co.—the central bank organized in 1933 by New York State savings banks—are expanding their already heavy investment in local real estate.

* * *

Portable Sunlight is now conveniently packaged in the Type RS sunlamp bulb put out by Westinghouse. Closely resembling the reflector-type incandescent bulb in shape, the sunlamp screws into standard bulb sockets. Priced at $22 in Canada, the bulb is usable anywhere other than on 25 cycle current. To date no ballast equipment has been developed to adapt the bulb to the slower current.

* * *

Drive-in Theatre believed to be the first in Canada, is projected at Dixie on the Queen Elizabeth Way, west of Toronto. B & F Theatres Ltd. has surveyors working on the 20-acre site, Architects Kaplan & Sprachan at their drawing boards, and the company is looking into sound and electrical equipment. Accommodating about 800 cars, the theatre may cost $100,000. Opening date depends on availability of equipment. Screen for the motoring movie-goers will measure 35 by 45 ft., and steel structure will be about 60 ft. high.

* * *

Britain's Exports are responding to resuscitation treatment. Sir Stafford Cripps, president of the Board of Trade, reported to the British House that the labor force engaged on exports had increased from 400,000 to 900,000 in the six months following V-E Day. By January, exports had increased on an average 50% in six months. Rayon exports for 1945 totalled £16.8 millions, (£5.1 for 1938); chemical and drugs, £37.4 millions (£22.1 in 1938); pottery £5.8 millions (1938, £4 millions).

* * *

Cutting Up vegetables and fruits into cubes, slices, French 'fries, and assorted other commercial shapes, is said to be so simplified by a food cutter new to Canada that an unskilled kitchen boy can do the trick which once demanded skilled hands. The cutter made its debut at the recent Canadian Restaurant Association convention in Toronto.

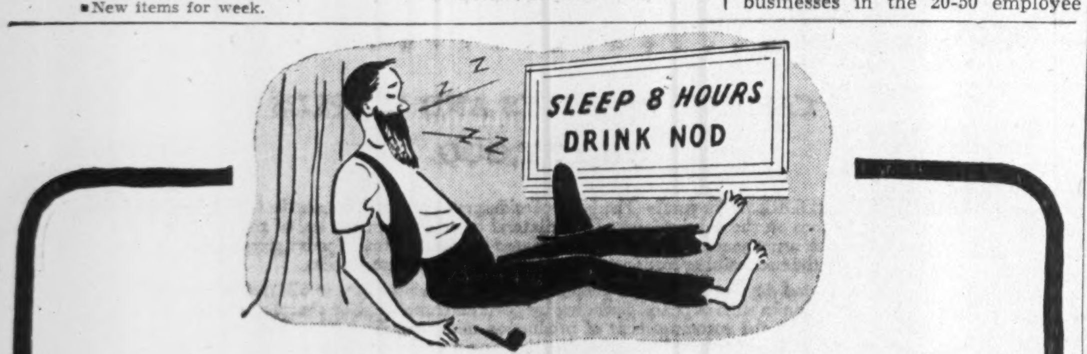
Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

BUSINESS THIS WEEK

	JAN.	DEC.	NOV.	OCT.	Year Ago
THE FINANCIAL POST PRODUCTION INDEX (1)	....	193.0	200.3	209.5	242.0
GOVERNMENT FINANCE (millions of $)					
Dom. war expend.	....	....	137.6	170.1	80.8
Dom. total revenue	....	....	174.1	246.3	155.2
Dom. total expend.	....	....	316.0	301.1	170.3
MERCHANDISING					
Dept. store sales index no. (1)	....	279.3	258.9	220.9	253.9
■Retail sales index no.	....	255.7	213.0	203.8	237.1
Wholesale sales index no.	....	195.6	221.3	236.8	170.8
Country store (% change pr. yr.)	....	+6.2	+9.3	+11.2	....
FINANCE					
Dividend payment index (5)	....	....	140.0	140.0	129.9
Bank debits (1)	....	....	282.5	191.5	220.4
Bank deposits index (1)	....	....	239.2	226.1	212.8
Money supply (millions $)	....	....	6,261	6,726	6,213
NEWSPRINT % OF CAPACITY					
■Production ratio	90.8	79.6	82.7	82.8	73.2
■Shipment ratio	87.4	75.5	82.3	82.0	64.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S. index)	....	167.4	156.2	140.0	188.8
Cars (D.B.S. index)	....	143.2	138.2	129.1	143.6
COST OF LIVING					
D.B.S. index	119.1	120.1	119.9	119.7	118.6
EMPLOYMENT INDEX, D.B.S.					
All industries	....	172.9	171.2	168.7	185.7
Manufacturing	....	184.0	186.3	188.4	220.1
Payrolls (June 1/41=100) (2)	....	139.3	139.2	137.8	151.0

	1946-45	1945-44	1946-45 Jan. 1 to date	1945-44 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week Feb. 9)	64.6	65.6	383.7	378.3	+6.7
■C.P.R. gross rev: (Feb. 14)	5,580	5,784	34,200	35,391	—3.4
■C.N.R. gross rev. (Nov.)	34,306	36,979	398,257	402,623	+1.1
■C.N.R. net rev. (Nov.)	5,334	5,575	72,833	71,958	+1.2
C.P.R. gross revenue (Nov.)	25,764	27,165	291,090	293,279	—0.7
C.P.R. net revenue (Nov.)	3,324	6,030	32,837	38,410	—4.5
IRON AND STEEL (000's omitted) (Dec)					
Pig iron production (tons)	135.2	139.2	1,778.0	1,852.6	—3.8
Steel production (tons)	219.3	243 5	2,881.3	3,024.4	—4.8
CONSTRUCTION (000's omitted)					
Contracts awarded (Dec.) $	25,787	12,730	409,033	291,962	+40.1
Building permits (Dec.) $	13,541	7,902	195,143	128,728	+52.0
Cement prod., bbls. (Nov.)	694.0	559.4	8,182.4	7,000.9	+16.9
AGRICULTURE (000's omitted)					
Flour prod., bbls., (Dec.)	2,168.8	2,029.5	25,059.2	24,292.1	+3.3
■Flour exp., bbls. (Jan.)	1,139	840	1,139	840	+34.4
■Wheat exp., bush. (Jan.)	15,248	5,163	15,248	5,163	+195.3
■Cattle sales (Jan.) (4)	157.3	166.3	157.3	166.3	—5.1
■Hog sales (Jan.) (4)	514.3	830.2	514.3	830.2	—38.8
SEA FISHERIES (000's omitted)					
Catch, cwts. (Nov.)	967	836	10,776	7,914	+36.1
Landed value (Nov.) $	2,349	1,712	45,699	27,186	+69.0
NEWSPRINT (000's omitted)					
■Production, tons (Jan.)	328	265	328	265	+23.8
■Exports, tons (Jan.)	316	232	316	232	+36.2
MINING AND OILS (000's omitted)					
Coal prod., tons (Nov.)	1,768.1	1,638.6	14,906.1	15,493.4	—3.8
Gold rec. (fine oz.) (Oct.)	223	223	2,127	2,421	—12.1
Petroleum prod. (brl.) (Nov.)	658.7	855.8	7,902.3	9,220.3	—14.3
ELECTRICAL POWER OUTPUT (000,000 omitted) (Dec.)					
Total monthly kw.h.	3,289	3,356	40,101	40,466	—0.1
FOREIGN TRADE (thousands of $)					
Imports (Dec.)	121.2	127.2	1,585.8	1,758.9	—9.9
Exports (Dec.)	234,826	266.879	3,218,330	3,439,953	—6.4
FINANCE (millions $)					
Bank debits (Dec.)	6,085	5,063	68,386	60,677	—12.6
Bond sales (Dec.)	196.3	145.8	8,125.1	7,624.0	+6.6
Life insurance sales (Dec.)	65,536	47,618	689,449	614,117	+12.2
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Nov.)	3.7	3.1	35.9	32.7	+0.8
Cotton consump., lb. (Dec.)	12.1	12.7	143.1	145.3	—1.5
■Cigarette cons. (no.) (Jan.)	1,491	1,159	1,491	1,159	+28.6

(1) Base period 1935-39=100.
(2) All industries.
■New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson est.



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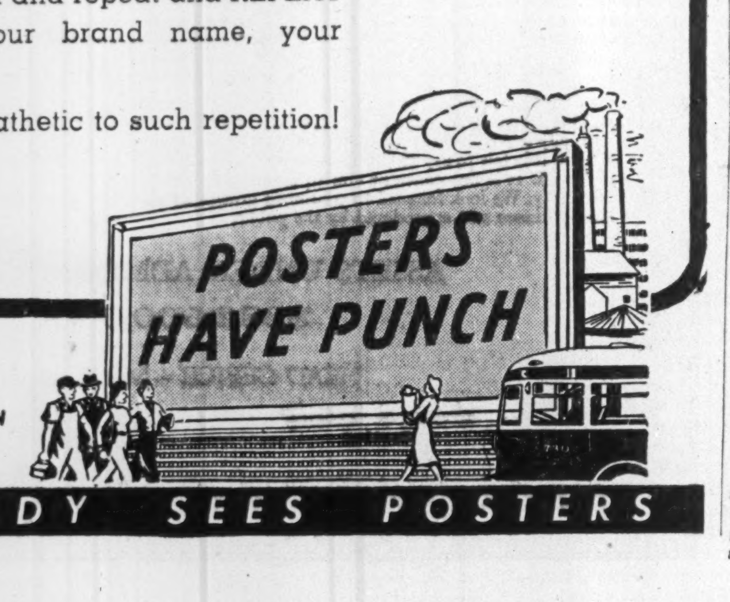

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EVERYBODY SEES POSTERS

Strictest Economy Said Forced on P. E. I.

From Our Own Correspondent

CHARLOTTETOWN — Premier J. Walter Jones and his advisers are reported not altogether satisfied with the results of the reconvened Premiers' conference just concluded. Mr. Jones states that nothing remains for the present Government departments but to adopt a policy of strictest economy.

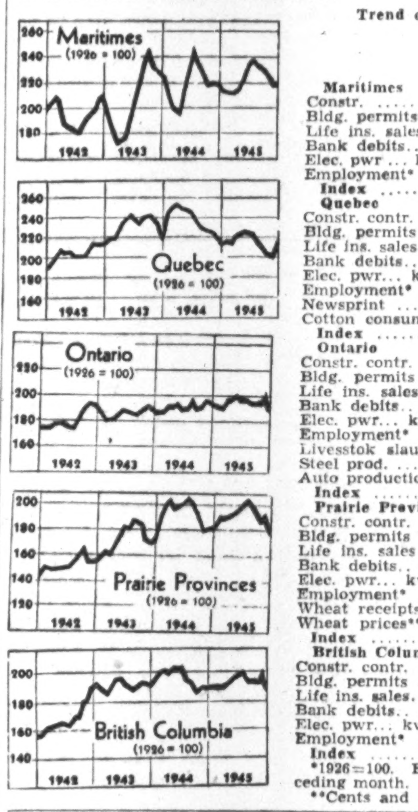
Mr. Jones suggested, informally, that the conference hold the next session here. This is now viewed as improbable; but it is suggested the final agreement may be signed here.

Ontario, Maritimes Set New Business High in '45

Business indexes for Ontario and the Maritime Provinces recorded a new high position in 1945. The standing was nearly maintained in the Prairie Provinces and British Columbia while Quebec was below the maximum position of 1944.

Quebec's high point of 239.1 was established in 1944. Reduction in war activities led to a drop to 217.1 during 1945. The maximum for the Prairie Provinces was reached in 1944 at 197.0. Reaction in 1945 was only to 196.6. British Columbia index rose to a maximum in December, average for the year was 196.5 against the 1944 peak of 197.8.

Indexes of Quebec, Prairie Provinces and British Columbia were higher in December than in November.



Trend of Business in Economic Areas

	Dec. 1945	Percentage Change Dec. 1944	Nov. 1945
Maritimes			
Constr. $	1,014,000	+101.6	1,974,000
Bldg. permits $	111,000	—12.6	442,000
Life ins. sales $000	4,936	+21.8	5,633
Bank debits $000,000	137.8	+14.4	200.1
Elec. pwr kw.h. 000	98,000	—1.0	106,000
Employment*	178.2	—4.8	170.5
Index	207.5	—5.9	222.3
Quebec			
Constr. contr. $	9,356,000	+121.3	12,531,000
Bldg. permits $	2,880,000	+19.6	3,918,000
Life ins. sales $000	15,646	+27.1	18,937
Bank debits $000,000	1,744	+18.5	2,478
Elec. pwr kw.h. 000	1,740,000	—3.6	1,708,000
Employment*	178.8	—9.1	175.0
Newsprint tons	276,931	+13.1	299,158
Cotton consump. lb.	12,148,555	—4.7	13,526,062
Index	203.9	—6.7	203.7
Ontario			
Constr. contr. $	9,358,000	+76.7	19,058,000
Bldg. permits $	5,087,000	+27.3	8,161,000
Life ins. sales $000	29,112	+52.9	33,239
Bank debits $000,000	2,846	+25.4	4,037
Elec. pwr kw.h. 000	911,000	—0.4	905,000
Employment*	170.8	—8.1	169.6
Livestock slaught.*	234.5	—19.7	260.2
Steel prod. tons	219,281	—9.9	207,981
Auto production No.	5,997	—52.1	1,575
Index	198.1	—1.9	201.5
Prairie Provinces			
Constr. contr. $	2,769,000	+78.7	5,871,000
Bldg. permits $	2,579,000	+275.9	2,345,000
Life ins. sales $000	10,040	+20.6	13,274
Bank debits $000,000	949	+3.6	1,300
Elec. pwr kw.h. 000	291,000	—0—	278,000
Employment*	150.2	+1.4	147.4
Wheat receipts bu.	13,240,000	—57.1	36,712,000
Wheat prices**	125	—0—	125
Index	197.9	+7.7	194.3
British Columbia			
Constr. contr. $	3,290,000	+185.3	5,564,000
Bldg. permits $	2,884,000	+321.6	639,000
Life ins. sales $000	5,208	+63.5	5,054
Bank debits $000,000	408.2	+43.2	565.7
Elec. pwr kw.h. 000	249,000	+1.2	240,000
Employment*	173.2	—5.1	174.2
Index	205.4	+8.1	201.7

*1926=100. Employment statistics apply to preceding month.
**Cents and eighths of a cent per bushel.

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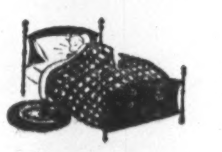
Rheumatic fever can be beaten!

Though it tries to harm the hearts of growing boys and

girls, serious damage may be avoided if the disease is recognized in time. Put your child to bed



if he has persistent low fever, pain in joints or muscles, or continued loss of weight and

appetite. Then have your physician examine him!

If the disease attacks your child . . .

: : : make sure the doctor's orders are followed. He should stay under a doctor's care until *all* signs—including laboratory tests—show that no vestige of the attack remains.

Unfortunately, rheumatic fever may *recur*. After convalescence, therefore, be specially careful to guard your child against wet feet and chills.

Try to avoid exposing him to people with "sore throats" and colds. For recurrence may be brought on by these and other mild illnesses, such as grippe and certain respiratory infections.

Sometimes rheumatic *heart disease* may be present although there has been no previous record of a rheumatic *fever* attack.

The only way to discover this condition—and to prevent serious heart damage—is by periodic physical examination.

Rheumatic fever, itself, causes more fatalities among school-age children than any other disease. The way to combat this tragic toll is to maintain youngsters in the best possible condition by proper diet, rest, healthy exercise, and *regular medical supervision.*

To learn more about combating the disease, send for Metropolitan's free booklet, "Rheumatic Fever." Address your request to Booklet Dept., 26Y, Canadian Head Office, Ottawa.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
New York

Frederick H. Ecker, CHAIRMAN OF THE BOARD — Leroy A. Lincoln, PRESIDENT

Canadian Head Office: Ottawa

TO EMPLOYERS: Your employees will benefit from understanding these important facts about rheumatic fever. Metropolitan will gladly send you enlarged copies of this advertisement—suitable for use on your bulletin boards. Please address your request to Canadian Head Office, Ottawa.

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Newfoundland Trade Is Double Pre-war Total

Newfoundland is well on the way to economic recovery, according to statistics by J. C. Britton, Canadian Trade Commissioner in St. John's.

Total trade for the fiscal year 1944-45 set a record high of $114,536,046, up more than $7 millions over the preceding year, and more than double the $56,447,962 total in the last pre-war year, 1938-39.

Revenues showed only a slight decline from 1943-44, and a surplus of $4,049,958 was shown, after repayment of a $1.5 million sterling loan. Transition from wartime to peacetime economy did not noticeably reduce volume of trade or affect the returns of basic exports—fisheries products, newsprint and minerals. There was practically no unemployment.

The newsprint industry operated at capacity, and exports are estimated to have exceeded the previous year's. Iron ore shipments from the Wabana mines reached the million-ton mark for the first time since 1941.

Fishery returns rose, a substantial increase in export of frozen cod fillets more than offseting a slight drop in salted cod. Herring production rose more than 100%, to a record peak, as a result largely of UNRRA commitments. Salmon output dropped nearly 50%, but lobster production exceeded the previous year.

Export More Frozen Cod

Export of frozen cod fillets, mainly to the United Kingdom, is expected to reach 30 million pounds, an increase of 8 millions over 1944. A total of 44 filleting plants and 14 freezing plants operated during the year.

Following disappointing returns earlier in the year from the trap and Labrador fishery, the results of the fall fishery were very satisfactory. The estimated catch of salted cod of 950,000 quintals (of 112 pounds) was 38,000 quintals below 1944. Approximately 24,500 men were engaged in the cod fishery in 1945, a slight increase. A number of men formerly employed on base construction were absorbed into fisheries.

Total newsprint production in 1945 was estimated at more than 360,000 tons and sulphite production amounted to about 40,000 tons - - - both increases over the previous year. The mills have been experimenting with various specialized products and exports of laminated board for manufacture of cardboard boxes have already been made. In addition, wrappers of various qualities have been manufactured. Employment was given more than 9,000 in both mills and woods operations.

Domestic exports in the last two fiscal years compared as follows:

	1944-45	1943-44
Total	$45,414,485	$42,397,415
United Kingdom	12,055,626	11,436,099
United States	12,836,809	13,583,527
Canada	6,294,506	6,924,088
Portugal	3,488,789	2,200,844
Spain	2,079,006	2,822,867
Porto Rico	1,244,532	1,365,016
Jamaica	1,594,712	......
Greece	1,386,137	......

Imports in 1944-45 were $65,824,066 ($62,488,649 in 1943-44 and $52,376,885 in the nine-month period ended March 31, 1943). Newfoundland's imports prior to the war were very much lower; in 1937-38 $27,912,351, in 1938-39 $24,460,618. More than 98 per cent of Newfoundand's imports were from Canada, the United States and the United Kingdom, as shown in the following figures:

	1944 45	1943-44	July-Mar., 1943	1941-42
Total	$65,824,066	$62,488,649	$52,376,885	$64,584,894
Canada	42,034,879	41,483,171	33,414,615	38,758,646
United States	19,362,642	18,110,312	16,514,472	20,412,134
United Kingdom	2,088,003	2,039,041	3,916,308	3,999,345

Canadian Exports

Exports from Canada to Newfoundland for the first eleven months of 1945 were valued at $37,244,642. ($43,843,772 for the corresponding period of 1944 and $47,949,849 for the year 1944). Principal items were:

	1945	1944
Gasoline	$3,247,377	$5,687,300
Flour	2,896,793	2,697,955
Coal	2,402,517	2,670,984
Army and Navy stores n.o.p.	1,809,720	6,050,232
Fuel oil	1,117,528	2,692,098
Vegetable fats, edible.	975,315	972,510
Fresh beef	935,738	1,006,891
Wool clothing	697,943	882,749
Meats	651,547	536,638
Bacon and hams	587,740	698,263
Rubber boots and shoes n.o.p.	528,606	461,128
Evaporated milk	490,163	524,251
Ale, beer and porter	488,369	594,591
Pickled pork in barrels	485,262	450,181
Mixed feeds	420,807	292,875

The shipbuilding yard at Clarenville, operated by the Newfoundland Government, completed its original construction program with the launching of the tenth of the 135-foot motor vessels built. These vessels are now being operated by the Newfoundland Government Railway. Two additional vessels are now being fitted.

ORANGE CRUSH LTD. shareholders were told at the annual meeting by E. P. Taylor, chairman of the board, that there is no certainty when sugar will again be in good supply and it will probably be two years before rationing comes off. He added that a gradual betterment in supply is looked for and that he was hopeful the percentage available to the company could be increased this year. Orange Crush had made its plans for the current year on a 50% sugar quota which should enable the company to show a small profit, Mr. Taylor stated.

Alberta Again Will Attempt Social Credit

Will Submit New Measures to Courts Ere Enforcing Them

From Our Own Correspondent

EDMONTON — Legislation designed to renew the Social Credit economic and monetary reform program was forecast in the speech from the throne at the opening of the third session of Alberta's 10th legislature on Feb. 14.

It was stated that the constitutionality of the legislation will be referred to the courts before being proclaimed as law. This is an entirely different course of action from that taken up to 1940, when legislation was enacted and left to be challenged in the courts later.

The throne speech announced that efforts would be continued to obtain federal financial and for capital expenditures for education purposes. Extent of health services provided will also depend on the financial aid given by the Dominion, it was announced.

"A substantial surplus" was reported after meeting all capital and operating expenses. The Government voiced "deep concern" at the acute shortage of satisfactory homes and promised to assist in every practicable way in the solution of this problem.

The Alberta Research Council will make a study of the commercial utilization of Alberta poplar and also the use of natural gas for producing gasoline and chemicals.

Successful implementing of the provincial debt on "fair and equitable terms" was mentioned.

"Alberta becomes the first province to place its public debt on a serialized basis with annual payments of principal and interest providing for the complete retirement of the debt in 35 years," the speech stated.

Law for Laymen

Herewith The Financial Post presents a new feature concerning legal decisions and rulings that may affect you or your business. It is emphasized that the brief legal notes below are designed to serve as hints and warnings only. Consultation with your solicitor is advisable when any of these problems arise in your affairs.
(Copyright)

A SALES AGREEMENT with a minor is only binding under certain circumstances. First, the goods purchased must be "necessities," a term which the courts construe strictly. Secondly, a minor is liable only for the "reasonable" price of such goods, regardless of what he may have contracted to pay.

* * *

HOSPITAL RULES sometimes stipulate that a patient will not be allowed to leave until the account is paid in full. But reputable hospitals would not attempt to enforce such a rule; and the courts would not uphold them if they did.

* * *

INCORPORATION is often—perhaps generally—an advantage to a business firm; but there may be two sides to the question. It is well to study present tax laws, before deciding on incorporating.

* * *

DON'T THROW AWAY old insurance policies. Even if no premiums have been paid on them for some time, they may retain some surrender value. Check with the company which issued them, on this.

* * *

CANADIAN COURTS do not draw up separation agreements for estranged couples. Such agreements should be drawn up between the parties, with proper legal advice. Applications for divorce, alimony or maintenance are in a different category and are made to the courts.

* * *

LAPSE OF TIME does not necessarily "outlaw" a debt . . . except in the sense that it debars the bringing of a lawsuit, after a specified period. A creditor still has the right to realize on a security of the debtor's, which he may hold; and he may also offset, or deduct the amount of the debt, in case there is a counterdebt.

* * *

TAXES OR REPAIRS which you pay on your own residence, cannot be claimed as deductions on your income tax return. Such expenditures are deductible on other properties which you own, but which you rent to other persons.

* * *

LOOKING A GIFT HORSE in the mouth IS sometimes advisable. One such instance is if you are offered shares in a company at what might appear an unreasonable large discount. Except for mining companies, most provinces do not allow this practice; and you may find yourself subject to call at a later date, for the balance of the value of the shares.

* * *

THE LAW OF LIBEL protects public officials, as well as private citizens. An official may be open to fair criticism for his official actions; but reckless statements about his private life and affairs are not within the law.

* * *

IF YOU were in the armed forces during the war, you probably made a will, as a matter of routine. Bear that in mind when back in civilian life, and see that the document is revised, if necessary.

* * *

SALESMEN ARE NOT always authorized collectors. Don't pay a salesman for goods unless you know he has his firm's authority to receive such payment.

* * *

IT IS INADVISABLE to let strangers acquire any rights to your property. Permitting neighbors, for instance, to take a short-cut across your land, may, in course of time, establish a permanent right for them to do so.

Saskatchewan Will Operate Trade Service

From Our Own Correspondent

REGINA — Establishment of a trade service to promote sale of Saskatchewan goods at home and overseas is one of the business highlights of the Douglas government for the present session of the Saskatchewan legislature.

It is believed that the trade agencies will be somewhat similar to those now conducted in Britain by Ontario and British Columbia, but they will emphasize trade between the British co-operatives and the Saskatchewan consumer co-operatives, via the Hudson Bay route.

Recently the Hudson Bay Route Association urged pressure by the prairie governments on Ottawa, to allow Churchill to be operated by a prairie board of management.

The speech from the throne, forecast the compulsory auto insurance bill, expected to be one of the most controversial of the session. Agricultural measures to be undertaken by the government include: completion of reorganization of agricultural services, establishment of permanent "feed banks" and plans to meet emergent crop conditions in Saskatchewan; enlistment of federal aid for water conservation and irrigation and a study on rural electrification.

Among plans of a social type were inquiry into conditions regarding rehabilitation in Saskatchewan jails and related institutions, passage of a new Child Welfare Act, and first steps toward establishment of province-wide hospital services, effective Jan. 1, 1947, to which Saskatchewan residents all will contribute.

RANDONA QUEBEC GOLD MINES reports drill hole 12 exploring an anomaly from ice on Lake Dufault, Quemont-Noranda area, Que. Hole is 1,800 ft. east and 800 ft north of hole 11 which was initial probe in current program.

The Wawanesa Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets...	**$5,024,159.53**
Surplus	**2,678,420.06**
Dom. Govt. Deposit	**2,450,734.89**

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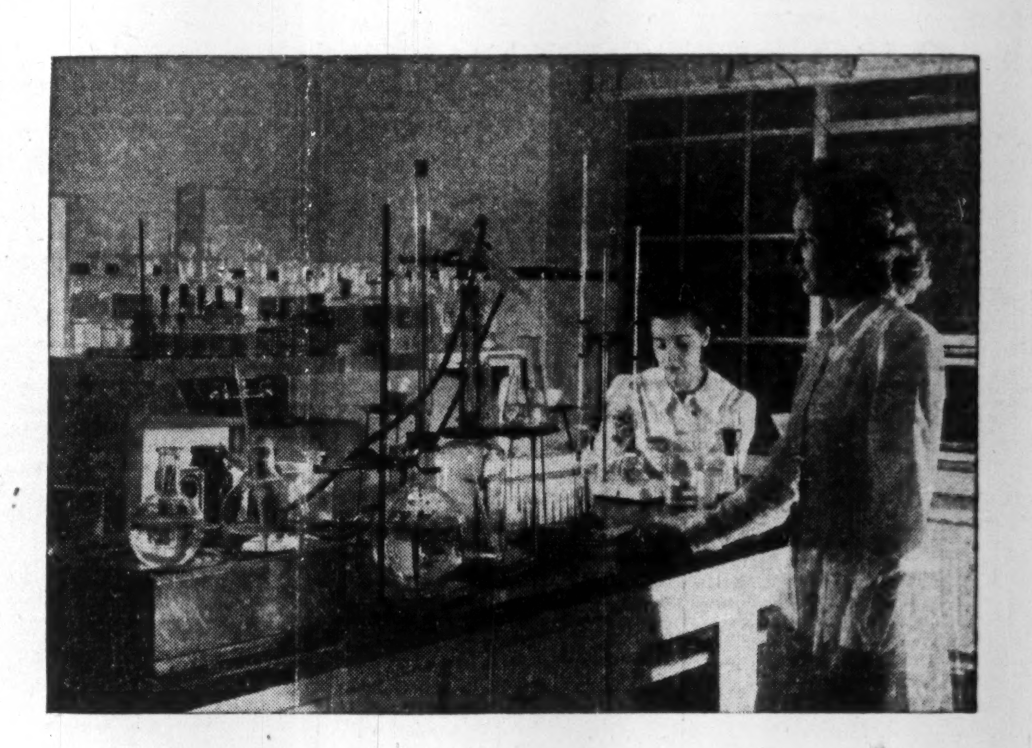


Pioneering for the Post-War Era

DYESTUFFS
Our technical and research laboratories are constantly exploring new processes in an effort to solve your problems in the Post-War Period.
Developing textile materials containing new fibres will require more skilful dyeing technique.

PHARMACEUTICAL
Continued advances are similarly being made in the Pharmaceutical field, so that in the Post-War Era, the medical profession will have at its command the latest in pharmaceuticals of maximum efficacy.

CIBA COMPANY LTD. MONTREAL CANADA

FIRST POSTWAR EGGS were shipped from Prince Edward Island to Great Britain last week . . . 19,200 dozen. Canned poultry is also much in demand overseas, and Island packers have not, so far, been able to keep up with orders. One company has already made two shipments to Hamburg, Germany, for use of British occupation forces; and another will go forward early in March.

PAYMASTER CONSOLIDATED MINES reports bullion production of $100,164 from 12,183.8 tons milled, an average recovery of $8.22 gold per ton. In January production was highest since Jan., 1943.

THE ROYAL TRUST COMPANY

Forty-sixth Annual Report
for the year ended 31 December, 1945

REVENUE *From fees and investments*	$3,157,000
CHARGES	2,366,000
PROFIT *Before taxes*	791,000
TAXES	293,000
NET PROFIT	498,000
DIVIDENDS	320,000
BONUS ON STOCK *Paid 1 February, 1946*	60,000
PENSION FUND *Special contribution*	75,000
SURPLUS *For year*	43,000

CAPITAL, RESERVES AND SURPLUS
$8,137,000

PRESIDENT'S ADDRESS (*in part*)—The hope of widespread prosperity must be based for Canada and for other nations on the development of multilateral trade through the use of the facilities to be supplied under such arrangements as those contemplated by the Bretton Woods agreements, and, in a broader sense, by the successful operations of the United Nations Organization.

The sacrifices and deprivations which people must endure in time of war will not be accepted by them without question in time of peace. Spending by governments should be sharply curtailed and full employment sought by the encouragement of production under our Free Enterprise system in order to develop our natural resources and manufactures, keeping always in view the necessity of increasing our exports. A return to taxation on a scale that will permit the accumulation of venture capital for new industries, and for the development of natural resources, would appear to be essential to the establishment of a sound economy.

No manipulation of our economy would enable people to live without labour, and enjoy the benefits of government spending without paying for them. Nor can they escape indefinitely the consequences of extravagance and waste in any quarter. It cannot be said too often that Canada's present financial position demands the fullest realization and application of these basic principles.

GENERAL MANAGER'S ADDRESS (*in part*)—The problem of keeping funds employed at satisfactory rates increases with the seeming trend towards even lower interest rates and the consequent calling of securities. Low yield government bonds and high taxation cause hardship for many who must have security. Government pressure on interest rates also tends to discourage thrift when the return on invested savings is so small. The 4% surtax on income derived from investments as opposed to so-called earned income is unfairly discriminatory and should be done away with. It ignores the fact that many people unable for various reasons to earn an income are dependent on income from investments.

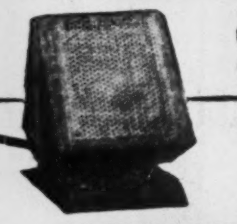
The Company means security and freedom from financial worry to an increasing number of families and individuals who make use of its many branches across Canada. In choosing a trust company, one naturally looks for strength and stability. The next most important attribute is quality of service, and I think it is fair to say that a trust company is not much, if any better, than the calibre of its officers and staff. It is our constant aim to maintain a high standard in personnel and to serve our clients efficiently. We look forward to continued growth as the whole idea of trust companies becomes more widely known and appreciated by the public.

ASSETS UNDER ADMINISTRATION
$882,000,000

HEAD OFFICE - MONTREAL

ROBERT P. JELLETT, *President*
ROSS CLARKSON, *Vice-President and General Manager*

OFFICES ACROSS CANADA FROM COAST TO COAST



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THE MONTREAL
CITY and DISTRICT
1846 SAVINGS BANK 1945

Ninety-Ninth Annual Report

MONTREAL, FEBRUARY 11TH, 1946.

TO THE SHAREHOLDERS.

Gentlemen,

Your Directors have pleasure in presenting the Ninety-Ninth Annual Report of the affairs of the Bank, and the result of its operations for the year ending December 31, 1945.

The net profits for the year were $420,984.54, and the balance brought forward from last year's Undivided Profits Account was $256,383.78, making a total of $677,368.32. From this amount quarterly dividends have been paid to the Shareholders and — apart from the sum of $9,875.00, interest on the Charity Donation Fund, which was allotted as usual — the Bank distributed $16,350.00 to various charitable and philanthropic institutions. $250,000.00 has been transferred to the Reserve Fund, bringing the latter to $3,750,000.00 and leaving a balance at the credit of Undivided Profits Account of $131,018.32, to be carried forward to next year.

With deep regret — a feeling which I am sure is shared by all — we have to record the death, during the year, of two of our Directors.

Mr. M. Arthur Phelan, a Director for the past fourteen years and Vice-President of the Bank since 1943, died on the 1st of October. Eminent in his profession as a barrister, a man of sound judgment and fine personality, he was everywhere held in high esteem.

Mr. Paul Amos, a Director for almost eight years, died on August 1st. An expert in the management of Estates, Mr. Amos was noted for his great kindliness and his broad practical knowledge of affairs in general.

To fill the vacancies thus created, Mr. Guy Vanier has been elected Vice-President, and Messrs. Jean C. Lallemand and T. Taggart Smyth, Directors.

As usual, a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The report of the Auditors and the Balance Sheet are herewith submitted.

D. A. HINGSTON,
President.

GENERAL STATEMENT
DECEMBER 31st, 1945
LIABILITIES

To the Public:		
Deposits bearing interest, including interest accrued to date	$109,452,558.47	
Deposits not bearing interest	1,753,451.95	
Charity Donation Fund	180,000.00	
Other Liabilities	1,526,500.68	
		$112,912,511.10
To the Shareholders:		
Capital Stock	$ 2,000,000.00	
Reserve Fund	3,750,000.00	
Balance of Profits carried forward	131,018.32	
Dividends outstanding	1,402.07	
Dividend payable January 2nd, 1946	70,000.00	
		$ 5,952,420.39
		$118,864,931.49

ASSETS

Cash on hand and in Chartered Banks	$ 9,876,732.13	
Dominion and Provincial Government Bonds	80,266,814.55	
Canadian Municipal and School Corporation bonds and debentures	16,310,767.31	
Bonds of Canadian Public Utilities Corporations	6,176,387.50	
Sundry Securities	247,200.00	
Call and Short Loans, secured by collateral	4,659,016.74	
Loans to Fabriques de Paroisses or to Religious Corporations	36,500.00	
Charity Donation Fund, invested in Dominion and Canadian Municipal Securities approved by the Dominion Government	180,000.00	
		$117,753,418.23
Bank premises (Head Office and Branches)	$ 1,000,000.00	
Other Assets	111,513.26	
		$ 1,111,513.26
		$118,864,931.49

On behalf of the Board,
D. A. HINGSTON,
President

T. TAGGART SMYTH,
General Manager.

LONDON CALLING—BY ADELPHI

General Strikes Given Green Light Socialists Cheer Repeal of 1927 Ban

LONDON (By Cable)—Tories and Socialists have just fought a noisy but good-natured battle over a subject which would cause passion, and even violence, in almost any other parliamentary body.

After the general strike of 1926, Stanley Baldwin's government brought in a bill which declared general strikes illegal, and also banned picketing and any form of "intimidation"; created difficulties in the way of unions raising political funds, and barred civil servants from affiliating with other unions. On the whole, it was a sensible bill, even if it had a certain punitive character. Once it became law, none paid further attention to it; but during the recent general election, the Socialists pledged themselves to repeal it.

Debate in the Commons was opened by the spectacular, youthful-looking, 44-year-old Attorney-General, Sir Hartley Shawcross, a romantic, dark-haired newcomer to politics, who is a figure to be reckoned with. This is his first parliament, yet he lands the big job of attorney-general, becomes a world figure as British prosecutor at the Nuremberg trials, collects fees which promise to reach £25,000 this year, then announces he will take nothing over £10,000.

Shawcross successsfully prosecuted John Amery and William Joyce. His drawback, and perhaps an understandable one, is his obvious self-satisfaction. Also, he has a magnetic smile which turns on and off like an electric light. The trouble is that there is something rather empty, between the "off" and "on." Finally, he has a sonorous, theatrical voice, which would fill any auditorium.

* * *

Debate Safety Valve For Food Disappointment

He spoke for an hour and a half in the House, which was too long, but at the finish his supporters gave him a great ovation, especially the ex-miners and dock workers, who were delighted to find this yachtsman-aristocrat in their fold. He was followed by Anthony Eden, acting Conservative leader, who can do everything but get angry.

Eden's arguments were sound, but he is so naturally courteous that the whole debate might have been one among friends until Quintin Hogg rose late at night and made the speech of his career. He was moved by obvious emotion, since his father, Viscount Hailsham, former Lord Chancellor, had introduced the original bill in 1927. Hogg riddled the Government, and even brought a frown to the face of Shawcross. Laborites cheered and sang "The Red Flag" as the repeal measure received second reading, by a vote of 369-194. The vote was taken, incidentally, on the 40th anniversary of the founding of the Labor Party.

Actually, the debate suited the Government, because it took the minds of the people and the press momentarily off the food and coal crisis. I regret to say that things are definitely bad in both these commodities. You in Canada can have little conception of the growing fatigue of women, queuing endlessly for supplies, which often run out before the end of the line is reached. Medical authorities are worried over the eventual result of this fatigue. As domestic servants are still scarcer than duchesses, the plight of women in homes which proudly disdain all labor-saving devices, will be understood. Yet the people are not turning against the government; there is a shrewd, common-sense feeling that Britain would be having a tough time, no matter who was in power.

Major-Gen. Letson, former Canadian adjutant-general, has arrived in London and is staying with his sister, Mrs. Beverley Baxter. Canadians here are wondering what his next appointment will be, if any. Letson himself is disarmingly vague. Baxter is under discussion again, as a result of London newspapers' publishing cabled extracts from his article in Maclean's Magazine, in which he forecasts the early resignation of Winston Churchill as Tory leader.

* * *

German Conductor Is Not Wanted

There is discord in the London musical world because a wealthy London music enthusiast, visiting Switzerland, invited Feuchtwanger, former leader of the Berlin Philharmonic Orchestra, to come to London and conduct a series of concerts. It has always been a matter of doubt whether Feuchtwanger was pro-Nazi, but London does not want him yet; the graves are too fresh, and the scars too red.

Ernest Bevin has emerged from the UNO gathering as the most popular cabinet minister since Churchill. One night recently, the Corporation of the City of London gave a Guildhall dinner for UNO delegates. When the principal guests were announced with a fanfare of trumpets, Prime Minister Attlee received mild applause; but Bevin was cheered until the candlesticks trembled. Incidentally, the Russian delegates were invited but did not reply.

The theatre boom at last shows signs of ending, which is good for everyone. "Arsenic and Old Lace" is coming off, after three years; so is the revue "Sweeter and Lower," also a three-year-old. Half a dozen others are picking up, including a lavish revival of Sheridan's indifferent play "The Rivals"; but Noel Coward's five-year-old "Blithe Spirit" stays on. Motion picture companies are worried by the general demand that we spend available dollars on imported foods, rather than on American films. This would certainly cut down the profits of the exhibitors, but would probably galvanize British production into something really formidable.

* * *

Investors Don't Like Outlook Anywhere

The stock market is sulky, investors not liking the outlook at home or abroad; but prices remain fairly steady. The Socialists go serenely on, improving social services, education, pensions; buying out industries, raising wages, and generally behaving as if we had won a fortune in the war. None can forecast how big the April budget will be, but it is certain to be huge.

Perhaps it will be all right, as long as the British will do without clothes, films, food, furniture, motor cars and radio sets; but some day even the British, who are the most patient people in the world, may become vocal. Everyone is feeling kindlier and kindlier toward Canada; your loyalty and generosity go deep into the hearts of the people here, who have had a pretty raw deal from the world at large.

APPRAISALS
VALUATIONS

Let our Engineers and Experts establish the new, replacement and depreciated values of your plant and equipment.

CHAS. WARNOCK & CO. LTD
Montreal MA. 3777 Toronto AD. 8842 Hamilton 2-4173

COMPANY REPORTS

SHAWINIGAN WATER & POWER CO. showed a moderate increase in net earnings for the year ended Dec. 31, 1945 (up 3% from 1944) but with substantially higher provisions for income taxes (up $866,000 from 1944), more than offsetting the $560,000 reduction in bond interest, net profit was down approximately $19,000 from the previous year.

Power produced and purchased in 1945 amounted to 7,033,043,000 kw.h. (6,910,209,000 in 1944). Completion of construction of some 600 miles new rural lines, started in 1945, is expected in 1946. Other substantial additions to the present system are planned.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$11,061,537	$10,773,889
Less: Deprec.	3,000,000	3,000,000
Int. charges	3,163,562	3,723,806
Inc. taxes♠	2,592,000	1,725,796
Net profit	2,305,975	2,324,287
Less: Bd. disc., etc.	211,144	......
Dividends	2,003,990	1,960,425
Surplus for year	90,841	363,862
♠Incl. ref. EPT	296,377	129,474
Times Interest Earned:		
Before deprec.	3.50	2.89
After deprec.	2.55	2.09
Earnings per Share and Dividend Record:		
Excl. ref. EPT	$1.06	$1.07
Incl. ref. EPT	1.19	1.13
Paid	0.92	0.90

CONDENSED GEN. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$2,606,965	$1,931,913
Investments	1,964,615	*5,984,605
Accts. rec.	2,778,328	2,476,215
Total curr. assets	7,349,908	10,392,733
Misc. assets▲	2,313,802	1,880,862
Unamort. disc., etc.	5,067,462	......
Mov'able prop.	1,576,986	1,132,006
Fixed assets	159,089,870	157,027,454
Subs. sec. etc.	16,716,747	17,067,609
Total assets	192,114,775	187,500,664
Acc. & tax. pay.	3,126,634	2,108,432
Bd. int. & div.	1,545,406	1,270,705
Total curr. liab.	4,672,040	3,379,137
Funded debt	79,559,500	79,559,500
Conting. res.	1,163,868	1,164,451
Deprec. res.	33,654,603	30,750,043
Capital stock	67,562,997	67,562,997
Surplus▲	5,501,767	5,084,536
▲Incl. refund. EPT	1,535,116	1,240,860
*Including call loans.		
Working capital	2,677,868	7,013,596

FOREIGN POWER SECURITIES CORP. for the year Oct. 31, 1945 shows net earnings up 40% from the preceding year with somewhat lower earning deficits on preferred and common stock account.

Because of adjustments covering their operations for the four years through 1944, which are reflected in their latest balance sheet, their earned surplus account has improved $146,000 from a $27,000 deficit to a $119,000 surplus. Because of economic and political conditions in France, the outlook for this company is still obscure, President A. J. Nesbitt states.

INCOME ACCOUNT

Years Ended Oct. 31:	1945	1944
Net earnings	$22,773	$16,123
Less: Int. & exch.	101,070	101,490
Net loss	78,297	85,367
Times Int. Earned	0.23	0.16
Earnings per Share and Dividend Record:		
Pref.: Earned	d$1.57	d$1.71
Common	d3.03	d3.08
None paid on either class of stock.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1945	1944
Cash	$15,697	$3,670
Invests. at cost	8,842,619	8,653,736
Misc. assets	48,626	7,624
Total assets	8,906,942	8,665,030
Bond int. accr.	597,998	498,993
Accts. pay. & accr.	5,040	1,470
Total curr. liab.	603,038	500,463
Funded debt	1,684,500	1,691,500
Capital stock	6,500,000	6,500,000
Surplus	119,404	*26,933
*Deficit.		

ROYAL TRUST CO. net profit for the year ending Dec. 31, 1945 was $498,042, an increase of 10.7% over the previous 12 month period. Surplus for the year was also up from $34,951 in 1944 to $43,042. Directors of the company recommend that the value of $20 par shares should be established at $85 per share for the coming year.

	1945	1944
Liabs. to pub., etc.*	$14,636,744	$14,569,872
Shareholders' equity	8,137,197	7,594,154
*Secured by:		
Mortgages	1,156,833	1,236,229
Realty for sale	1	1
Office premises	920,851	942,657
Other assets‡	20,696,256	19,985,139
Total	22,778,941	22,164,026
‡Includes stocks and bonds, and $190,003 stocks of subsidiary co's.		
Estates account	859,820,026	795,793,060
Sec. against cont. liab.	34,832	36,133
Earned per Share	$4.98	$4.45
Paid	3.20+0.60	3.20+0.40

ARGUS CORPORATION LIMITED

A Sound, Progressive Company
Organized for Opportunity

CANADA today stands at the threshold of progress. Vast replacement markets lie in the offing. The country is ripe for development and expansion in every field of industry, manufacturing and merchandising. Here, then, is an investment opportunity in which every citizen with faith and capital can share.

Argus Corporation Limited, as a sound, progressive company, is a logical medium for such foresighted investment. Already the Company owns a substantial number of shares of Canadian Companies including Canadian Breweries Limited, Massey-Harris Company Limited, Canadian Food Products Limited, Standard Chemical Company, Limited, Dominion Stores Limited, Dominion Malting Company Limited, and Orange Crush, Limited. Each of these companies has unusual expectations of future growth. A further assurance of the continued success and progress of Argus is the fact that one or more members of Argus Board are among the directors or officers of these companies.

With these companies as a foundation for operations, and because of the broad knowledge and proved business leadership of Argus directorate, Argus Corporation Limited is well equipped to take advantage of opportunities that arise from time to time and offer exceptional scope for re-organization, development, financing and selection of adequate management.

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Felix E. Notebaert, Montreal
W. E. Phillips, Toronto
S. Freeman Raymond, New York City
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As Principals, we recommend the purchase of the 4½% Cumulative, Convertible, Redeemable Preference Shares (par value: $100) of Argus Corporation Limited, which are listed on the Toronto and Montreal Stock Exchanges.

Burns Bros. & Denton
Limited
244 BAY STREET, TORONTO

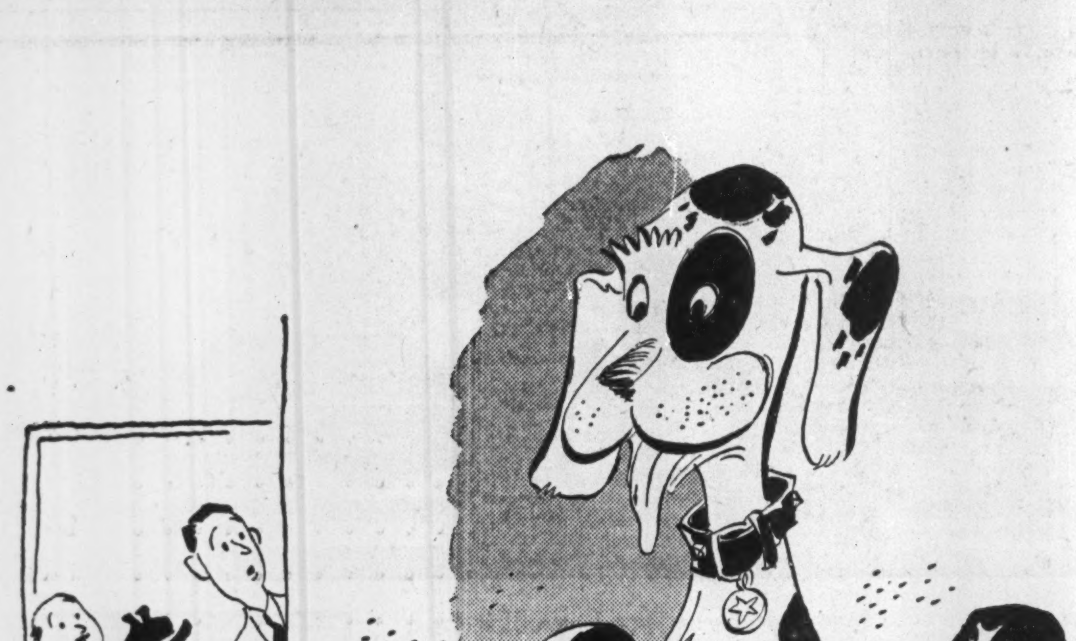
2

TELEPHONES SCARCE

WINNIPEG—The telephone situation in Greater Winnipeg has become worse instead of better since V-J Day. In the city and suburbs there are 6,621 unfilled applications for telephone service, 2,300 more than were on file a year ago. This is an all-time high but may go higher.

CCF TO STUDY TTC

REGINA — Saskatchewan's CCF Government is seeking pointers from the Toronto Transportation Commission, on operation of a government system of bus lines. Wm. T. Bunn, general manager of the Saskatchewan Transportation Co., is to inspect the Toronto system with a view to adapting it to use here.



—that's the Big one!

Look at it any way you like, the Star Weekly is a powerful selling force for national advertisers in Canada. More than half the English-speaking families in urban Canada pay a dime every week to bring it to their homes. And the Star Weekly really pulls coupon returns and sells merchandise.

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THE ladies sometimes like the dim, flattering light of candles. But most people, even if they could get far greater illumination from candles at far less cost, would prefer electric light.

Considerations of health, comfort, convenience, cleanliness and safety, have become more important to the modern way of life than the factor of cost.

Nevertheless, it costs money to survey new power sites, harness waterfalls, and build transmission lines, so that when you flick a switch or set a thermostat you can be sure of light and heat at your fingertips. Quite possibly a part of your own Life Insurance premium has been invested in the public utilities which render these services.

Government supervision of all such investments safeguards the money laid away by more than four million thrifty policyholders, united for their common security in the great co-operative business of Life Insurance.

25¢ This portion of every dollar invested out of Life Insurance funds helps to finance thousands of building and transportation projects, public utilities, industries, etc., which create employment throughout the country. The remainder is in municipal bonds, farm and town mortgages, etc. In addition, $500,000 is paid out in direct benefits every working day to policyholders or their loved ones.

It is good citizenship to own
LIFE INSURANCE
A Message from the Life Insurance Companies in Canada.

L-114SX

THE
CREDIT FONCIER FRANCO-CANADIEN
are pleased to announce the return to them from overseas service with The ROYAL WINNIPEG RIFLES of

MAJOR REGINALD OGLETREE
and his appointment as
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H. H. GRAY, *Managing Director*
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GROWING STEADILY GROWING SOLIDLY

BUSINESS IN FORCE INCREASED 13%
GAIN IN ASSETS 15%
SURPLUS INCREASED . . . 50%

The year 1945 has added to the record of steady, solid growth of the company. All the salient features of the annual report show substantial progress. The investments of the company are well balanced with a high percentage in Dominion Government bonds and municipal debentures.

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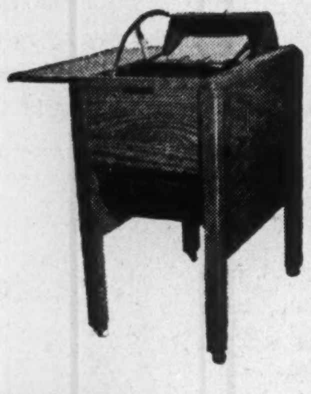

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COMPANY REPORTS

BURLINGTON STEEL CO. began improvement to plant and equipment during 1945. Plans call for $250,000 of which $143,000 has already been expended. Although gross profit was 33.1% lower than 1944, earnings per share were only down 13.4%. Profit of $12,896 on sales of securities has been carried to profit and loss account. War contracts were renegotiated, and the company has received a clearance to Dec. 31, 1944. Demand for the company's products continues on a very heavy scale.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Gross profit	$262,827	$341,364
Less: Deprec.	42,000	42,000
Life ins. prems.*	4,908	4,455
Income taxes‡	98,000	158,500
Net profit	117,919	136,409
Less: Divds.	84,000	84,000
Surplus for year	33,919	52,409
‡Incl. refund. EPT	......	11,200

*Less increase in c.s.r.

Earnings per Share and Dividend Record:		
Com. (new):		
Excl. ref. EPT	$0.84	$0.97
Incl. ref. EPT	0.84	1.05
Paid	0.60	0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$81,419	$82,330
Accts. rec.	252,461	202,155
Securities‡	668,303	693,448
Life ins. c.s.v.	55,524	53,450
Inventories	541,332	596,554
Total curr. assets	1,599,039	1,627,937
Refund. EPT▲	10,085	29,387
Fixed assets*	561,026	447,864
Total assets	2,170,150	2,105,188
Total curr. liab.	419,572	833,712
Conting. res.	......	10,000
Capital stock	940,000	940,000
Distrib. surplus	116,521	116,521
Earned surplus▲	694,057	704,955
*After depr. of	1,062,689	1,044,005
‡Market value	677,600	705,722
▲Incl. refund. EPT	10,085	29,387
Working capital	1,179,467	1,294,225

BOWATER'S NEWFOUNDLAND PULP & PAPER MILLS, LTD., for the nine months ended Sept. 30, 1945 showed a 6% decline in net revenue from $2.6 millions to $2.4 millions. With lower depreciation and interest charges, however, the amount carried forward to net profits increased by 44% and earnings per share equalled $0.34 ($0.24 in 1944).

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	‡1945	1944
Net revenue	$2,409,020	$2,568,946
Less: Depr. & depl.	641,716	843,161
1st mtge. bd. int.	366,545	506,277
Debent. int.	372,627	507,999
Net profit	1,028,132	711,509
Less: Divds.	335,250	670,500
Surplus for year	692,882	41,009

‡9 mos. ended Sept. 30.

Times Fixed Charges Earned:		
Before depr. & depl.	3.26	2.53
After depr. & depl.	2.39	1.70
Earnings per Share and Dividend Record:		
Com.: Earned	$0.34	$0.24
Paid	2½%	5%

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	‡1945	1944
Cash	$43,369	$43,157
Accts. rec.	4,092,668	3,738,264
Def. oper. chgs.	222,494	279,733
Inventories	7,681,658	6,693,463
Total curr. assets	12,040,189	10,754,617
Investments	103,156	25,000
Misc. assets	212,641	386,220
Fixed assets	46,617,402	46,387,417
Total assets	58,973,388	57,553,254
Bank loan	885,000	201,841
Accts., etc., pay.	1,825,622	1,914,801
Total curr. liab.	2,710,622	2,116,642
Funded debt	26,327,270	26,534,860
Deprec.	9,620,000	9,080,000
Other res.	2,083,402	2,266,080
Other liabs.	311,538	327,998
Capital stock	14,550,000	14,550,000
Surplus	3,370,556	2,677,674
Working capital	9,329,567	8,637,975

‡As at Sept. 30.

WESTERN GROCERS LTD. volume of sales for the year was greater than in the previous period and reached a new high point in the company's history both in dollar values and in tonnage. Increased taxation resulted in the net transfer to surplus being little more than in 1944. The sum of customers' accounts receivable is low in relation to sales. Total of stock-in-trade is down and the rate of stock turnover was the best for some years. Profits of subsidiary companies are not included in the financial statement other than dividends actually received.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$952,546	$771,323
Less: Deprec.	27,439	27,650
Res. for taxes‡	557,000	388,000
Inventory res.	20,000	10,000
Net profit	348,107	345,673
Less: Pref. divds.	83,601	83,601
Common divds.	84,715	84,715
Surplus for year	179,791	177,357
‡Incl. refund. EPT.	80,000	43,000
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$29.15	$28.94
Incl. ref. EPT	35.85	32.54
Paid	7.00	7.00
Com.: Excl. ref. EPT	15.61	15.47
Incl. ref. EPT	20.33	18.01
Paid	3.00+2.00	3.00+2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash and bonds	$323,916	$254,809
Accts. rec.	1,039,548	817,313
Inventories	2,580,269	2,845,768
Total curr. assets	3,943,733	3,917,890
Misc. assets▲	167,905	86,254
Invest. & adv. subs.	1,462,946	1,465,317
Fixed assets	678,320	693,348
Total assets	6,252,904	6,162,809
Bank loan	254,477	258,634
Accts., tax., etc., pay.	1,560,888	1,337,084
Total curr. liab.	1,815,365	1,595,718
Adv. from subsid.	6,813	416,157
Reserves	220,000	200,000
Capital stock	2,217,163	2,217,163
Surplus▲	1,993,563	1,733,771
▲Incl. ref. EPT	158,000	78,000
Working capital	2,128,368	2,322,172

GUELPH TRUST CO. net profits for 1945, $47,098 ($48,552 for 1944). Assets stand at $7,662,383, an increase of $297,105; reserve fund $200,000.

	1945	1944
Liab. to public, etc.*	$565,781	$547,358
Shareholders' equity	552,662	537,966
*Secured by:		
Mortgages	479,746	573,321
Other assets†	638,697	512,003
Total	1,118,443	1,085,324

†Includes Dom. and Prov. bonds.

Estates account	6,543,941	6,279,955
Earned per Share‡	$4.93	$3.11
Paid	2.50	2.50

‡After taxes paid and res.; no res. in 1945.

DOMINION BRIDGE CO. for the year ended Oct. 31, 1945, reveals a 23% increase in net profit. This was made possible through reductions totalling $3.5 millions in depreciation, pension and income tax reserves. Net earnings declined approximately $3.4 millions. Renegotiation of profits on war contracts completed up to Oct. 31, 1944, resulted in reduction of $850,000 in refundable EPT. President Augus forecast a busy year.

CONDENSED CONS. BALANCE SHEET

As at Oct. 31:	1945	1944
Cash & govt. bds.	$5,350,911	$9,922,826
Uncom. contr. (net)	3,031,024	1,580,734
Accts. rec., etc.	2,575,728	1,934,519
Inventories	4,000,241	3,930,847
Total curr. assets	14,957,904	17,368,926
Misc. assets▲	2,062,034	2,697,604
Invest. in subsids.	2,041,578	2,082,966
Other invests.	91,805	91,807
Fixed assets*	6,507,163	6,739,862
Total assets	25,660,484	28,981,165
Total curr. liab.	3,860,394	6,517,312
Plant ext., etc., res.	1,181,358	1,181,358
Capital stock	15,921,366	15,921,366
Surplus▲	4,697,366	5,361,129
*After depr. of	13,051,967	12,615,850
▲Incl. refund EPT	1,834,743	2,349,024
Working capital	11,097,510	10,851,614

CONS. INCOME ACCOUNT

Years Ended Oct. 31:	1945	1944
Net earnings	$4,645,803	$8,016,143
Less: Deprec.	493,852	916,551
Pension fund	727,193	1,217,709
Inc. taxes res.‡	2,595,046	5,209,694
Net profit	829,712	672,189
Less: Dividends	616,741	616,741
Surplus for year	212,971	55,448
‡Incl. refund. EPT	336,000	866,591
Earnings per Share and Divd. Record:		
Com.: Excl. ref. EPT	$1.61	$1.31
Incl. ref. EPT	2.27	2.99
Paid	1.20	1.20

EMPIRE LIFE INSURANCE CO. reports a record gain in insurance in force in 1945, total now $61.7 millions. New paid for insurance was 27% higher. Total assets also increased.

Rate of interest earned on invested assets was slightly higher, at 4.42%, the rise being described by President C. P. Fell as a temporary reversal of trend of recent years, due to collections of interest payments previously in arrears. Payments to policyholders and beneficiaries, and addition to policyholders' reserves were higher.

	1945	1944
Insurance in force	$61,731,325	$53,895,171
New insurance	11,482,841	9,050,405
Total income	2,358,743	1,980,428
Pd. p'hold. & benef.	825,342	790,714
Added to p'holders' res.	664,839	645,191
Sh'holders divids.	12,527	12,527
Liabs. to p'holders inc. pol. reserves	12,536,231	11,851,195
Liabs. to s'holders	639,616	328,141
Other liabs.	154,510	91,807
Total assets	13,735,904	12,796,496
Net surplus	405,547	525,353
Int. earned	4.42%	4.21%

WATERLOO TRUST & SAVINGS CO. net profit for the year ending Dec. 31, 1945 was $140,005. Business of the company increased considerably during 1945. New investments during the year were confined almost entirely to Government Victory Loan issues and first mortgages.

	1945	1944
Liab. to pub., etc.*	$16,899,029	$14,335,420
Sh'holders' equity	1,455,084	1,432,101
*Secured by:		
Mtges. & sls. agree.	5,284,260	5,750,693
Office premises	226,157	207,863
Realty for sale	33,746	82,801
Other assets‡	12,809,950	9,726,164
Total	18,354,113	15,767,521

‡Includes bonds and stocks.

Estates account	10,508,278	9,801,220
Earnings per Share	$10.00	$9.52
Paid	5.00	5.00

UNITED CORPORATIONS LTD., for 1945 shows a 4% improvement in net earnings. Amount carried down to net profits increased approximately 8%; assets of $14.5 millions were represented by common stocks, 60%; preferred stocks 21%; bonds, 18.5%, and the balance held in cash.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$404,674	$389,400
Less: Bond int.	109,625	112,625
Income taxes	43,000	42,600
Net profit	252,049	234,175
Less: Cl. "A" divs.	78,990	78,990
Cl. "B" divs.	163,057	124,691
Surplus for year	10,002	30,494
Times Bd. Int. Earn.	3.69	3.46
Earnings per Share and Divd. Record:		
Class "A": Earned	$4.79	$4.45
Paid	1.50	1.50
Class "B": Earned	0.72	0.65
Paid	0.68	0.52

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$18,527	$100,864
Investments†	9,116,583	8,112,134
Accrued int.	27,109	17,631
Office furn. & fixt.	1	1
Total assets	9,162,220	8,230,630
Accts. & tax. pay.	26,000	25,600
Bond int. accr.	49,500	50,875
Conting. res.	120,000	120,000
Funded debt	2,800,000	2,900,000
Capital stock	119,385	119,385
Surplus income	455,472	444,847
Surplus—invests.	5,591,863	4,569,923
†Market value	14,473,727	11,256,271

Don't be hasty... Have a Coke

...or there's more to a joke than a laugh

After all, a good-natured laugh at our expense is usually a compliment. It shows others are interested in us. The friendly proposal *Have a Coke* is a good-natured compliment, too. It says *You belong—let's chat a bit.* Ice-cold Coca-Cola has a knack for breaking the ice and getting things going on a friendly basis.

Drink
Coca-Cola
TRADE MARK
Delicious and Refreshing

"Coke"=Coca-Cola
You naturally hear Coca-Cola called by its friendly abbreviation "Coke." Both mean the quality product of Coca-Cola Ltd.

COCA-COLA LTD. 521

Insist N. S. Miners Need More Butter

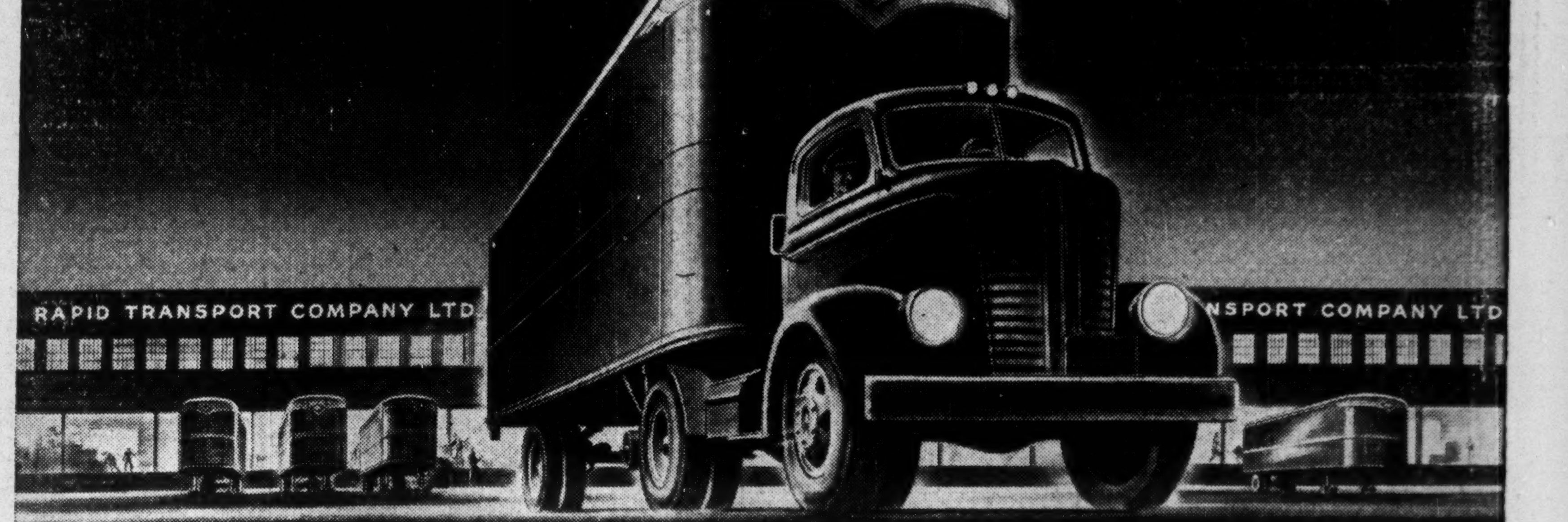
From Our Own Correspondent

SYDNEY—Food rationing should be based on consideration of local needs, and not on a general over-all pattern for the entire Dominion, labor and businessmen in Cape Breton contend.

Cape Breton Labor Council has asked more butter for workers in mines and heavy industries. Glace Bay Retail Merchants Association states that preserve coupons were used to buy butter substitutes. The reduced sugar allowance is thus held to be aggravating the butter situation.

Mine groups state that while some men can use sweet stuff on their bread, it gives the majority, working in dusty places and with compressed air ventilation, heartburn.

This Time It's Different!



AFTER WORLD WAR I, we had an "inventory depression".

But—it won't happen this time!

During World War I big demands for freight overwhelmed the railroads. A government commission had to take over. Embargoes were used as a control measure. It took weeks for shipments of just a few hundred miles.

Then, in 1919 and the early twenties, came a short boom. Delivery conditions were just as bad as during the war. Orders had to be placed weeks and months ahead.

When demand slackened, manufacturers were caught with heavy inventories. Uncertainty and the "inventory depression" resulted.

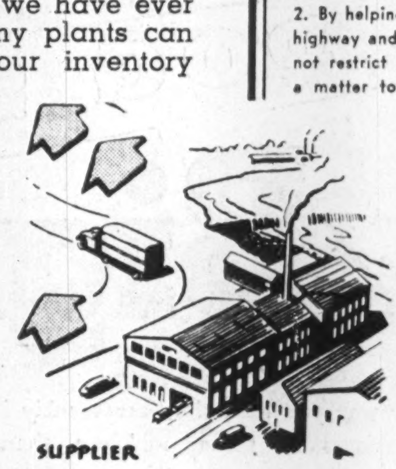
This time it's different! We have a five hundred million dollar motor transport system. Door-to-door delivery gives the fastest inventory turnover we have ever had. Result — many plants can operate on a 2-hour inventory rather than on a basis of 4 weeks or longer.

Thanks to motor transport, we won't have an inventory depression this time.

Is your business tuned to modern motor transport?

You can achieve efficiency and flexibility:

1. By using motor transport to deliver parts, materials and supplies to your door as needed.
2. By helping your Province secure adequate highway and vehicle laws which help and do not restrict modern motor transport. This is a matter to take up with your Legislators.
3. By insisting that new highways, about to be built, keep pace with the modern development of motor vehicles.
4. By consulting your Traffic Managers, Motor Transport Operators and Architects to be sure that your present or new buildings have adequate loading and unloading facilities.



Fruehauf Trailer Company of Canada, Limited
Head Office and Factory, Weston, Ontario
Sales and Service Branches at Toronto and Montreal

Fruehauf TRAILERS
"ENGINEERED TRANSPORTATION"
A TRUCK IS LIKE A HORSE
IT CAN PULL MORE THAN IT CAN CARRY

To the Advertising Trade:—

PROGRESS REPORT
FOR THE YEAR 1945

By giving primary consideration to the best interests of its advertisers, and with their willing co-operation as to alternative insertion dates, The Evening Telegram, despite white paper restrictions, was pleased to be able to provide a complete advertising service during the year 1945.

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CLASSIFIED ADVERTISING

FIRST IN AMERICA (Evening Papers)
FINANCIAL ADVERTISING

FIRST IN CANADA
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(Media Records Inc.)

THE EVENING TELEGRAM
TORONTO CANADA

MONTREAL: E. R. CHOWN
1106 Dominion Sq. Bldg.

New Iron and Steel Industry Rises on Site of B. C. Mine Town

VANCOUVER (Staff)—Plans for a new industry for British Columbia—production of iron and steel—are nearing completion, after four years of preparation and study. The project is sponsored by B. C. Minerals & Resources Development Co. and Privateer Mine Ltd., Vancouver, under direction of D. S. Tait, president of both companies.

Site of the new industry is Anyox, B.C., an abandoned copper, gold and silver producing town 650 miles northwest of Vancouver. Mineral & Resources Development Co. has bought from Consolidated Mining & Smelting Co. the entire Anyox townsite, together with the hydroelectric power plant and all dockage and foreshore rights for $130,000.

Initial unit planned for the smelting plant is an electrical furnace of standard 7,500 kv.a. capacity, known as the Spiegerverk or Tysland Hole furnace. The entire plant layout will be designed by a noted Swedish engineer.

Iron will be brought from the well-known deposits on the west coast of Texada Island, about 100 miles up-coast from Vancouver. These deposits have been obtained on option from the Puget Sound Iron Co., San Francisco, which has held them for about 50 years. The necessary fluxes — limestone and silica—are available in the immediate vicinity of Anyox.

The Texada Island ore is said to be a high-grade magnetite, low in phosphorus, and when reduced by the electrical process will make an iron of a quality not produced elsewhere in North America. It will, the company states, be comparable with the best Scandinavian iron. This class of iron in general brings a premium of $10 to $12 a ton over ordinary grades of foundry pig iron.

Fuel will be required only as a reducing and carbonizing agent, the actual melting of the ore being done by electricity. Energy available from the present powerhouse is 15,000 h.p., which can be increased approximately 50% by installing another powerhouse between the existing storage and diversion dams. A. C. R. Yuill, consulting hydro-electric engineer, estimates power costs at slightly less than one mill per kilowatt hour, probably the cheapest available anywhere in Canada.

The power plant was slightly damaged in a fire years ago. Repairs estimated at between $44,000 and $50,000 are now under way, as are repairs to the docks at Anyox, also damaged in the fire.

See Wider Market

Plans for disposal of the plant's production have been worked out by W. M. Waddell, who has had long experience in the iron and steel trade. Plan is to pour the iron into forms and products for marketing in British Columbia at the outset, branching out into wider markets when adequate production and quality have been established.

The new industry will not compete with any established industry in B. C. Aim is to furnish cheaper and better iron and steel to fabricators to permit manufacture of higher-quality products than have heretofore been produced in the province.

The Anyox area was first explored in 1898. Eventually taken over by the Granby Consolidated Mining & Smelting Co., who spent about $3 millions on development work before the first pound of metal was produced, the district yielded 25 million tons of copper, gold and silver ore during its life span of 21 years. In 1925, production was 37,625,733 lb. of refined copper, 355,014 oz. of silver and 7,098 oz. of gold. Average expenses during its life were $3 millions annually, total investment was about $13 millions, and disbursements to shareholders exceeded $13 millions.

In 1923 a solid concrete dam 684 ft. wide and 136 ft. high, said at the time to be the highest in Canada, was built. The concentrator, built above the dam and powerhouse, crushed up to 5,000 tons of ore daily.

Dominion Plans to Bolster West Coast Fishing Industry

VICTORIA (Staff)—Canada plans a research program to expand and protect her fishing industry on the Pacific coast, Hon. H. F. G. Bridges, Minister of Fisheries, announces. He has been in British Columbia making a personal study of coastal fishing problems.

He stated his department was eager to improve salmon runs and fishing conditions generally. He added that the research program is handicapped at present by a shortage of men trained for such work. He cited the revival of halibut fisheries, after near depletion in 1930, as an example of what can be accomplished by aggressive research.

Mr. Bridges announced that protective services will be improved through doubling the number of fisheries inspectors, by appointment of a resident fisheries staff engineer and by re-establishment of aerial patrols. Eight former RCAF boats have already been added to the fisheries patrol fleet.

Fish oils have added materially in recent years to the value of fish product output in B. C., the minister stated, production having leaped from $800,000 in 1938 to well over $6 millions in 1944.

M. P. P.'s Will Review Crown Corporations

From Our Own Correspondent

REGINA — The Saskatchewan legislature has created a standing committee to review the operations of crown corporations.

Of the 10 to 12 crown corporations already set up, about the only government business which has been in operation more than a year is the government fur marketing agency, relatively unimportant. It is unlikely that business of other newer crown corporations will receive attention this year.

RALPH A. HART

has been elected Vice-President of Colgate-Palmolive-Peet Co.

Ontario Security Commission Options

Company:	Underwriter:	Purchased (Underwritten) Shares	At c.	Date	Option No. Shares	Received Price Range c.	Capitalization Author. Shares	O/s Shares	Accepted
Andowan M.	L. W. Hicks & Co.†	......	..	Jan. 21	180,000	30-45	3,000,000	1,831,181	Feb. 5
Adnaron Copper Corp.	Federal Trading & Agency Co.	250,000	10	Nov. 14	1,900,000	12-75	4,000,000	1,667,150	Nov. 30
Alwyn Porcupine M.	Kathleen Shaw	300,000	5	Nov. 6	1,750,000	7½-$1	3,500,000	1,200,005	Nov. 30
Aurora Yellowknife M.	G. H. Rennie	200,000	35	Nov. 23	....	....	3,500,000	1,250,000	....
Adele Malartic M.	Vincent Mining	100,000	10	Dec. 18	1,400,000	10-70	3,000,000	1,000,005	Jan. 28
Belec Courville M.	Malcolm Stobie & Lepine Lake G. M.	200,000	5	Dec. 13	1,767,000	5-$1	3,000,000	1,033,005	Dec. 27
Big Game M.	Sale of 88,095 shs. at not less than $1 a share to treasury.						1,000,000	911,905	Feb. 2
Bayview Red Lake G. M.	Berwick Investments Ltd.	400,000	5-10	Nov. 29	800,000	15-90	4,000,000	2,794,988	Nov. 30
Conaldon Y'Knife M.	W. P. Rogers†	......	..	Feb. 1	1,000,000	10-40	3,000,000	1,000,005	Feb. 8
Cordell G. M.	H. Lewison†	......	..	Feb. 4	1,000,000	5-20	3,500,000	1,300,005	Feb. 8
Charm Yellowknife G. M.	H. Conway†	......	..	Oct. 15	500,000	5-10	3,000,000	1,014,595	Nov. 30
Columbiere Mines‡	O. P. Lowry	100,000	10	Nov. 15	1,000,000	10-$1	3,000,000	2,613,066	Nov. 30
Columbiere Mines‡	N. S. Dixon, W. R. Marchmont	300,000	*	Nov. 15	....	....	3,000,000	2,613,066	Nov. 30
Dercon Mines	F. J. McFarlane†	......	..	Jan. 31	990,000	5-40	3,000,000	1,081,000	Feb. 1
Destorbelle M.	Mentor Explor. & Devel.†	......	..	Dec. 4	1,599,995	10-50	3,000,000	1,000,005	Jan. 24
Ducore M.	J. A. Douglas	250,000	10	Jan. 15	1,749,995	10-$1	3,000,000	1,250,005	Jan. 26
Durham Red Lake G. M.	F. Crawley	100,000	5	Jan. 16	900,000	5-20	5,000,000	2,000,000	Jan. 28
DeSantis Porcupine M.**	Permission granted Nov. 30 for sale of shares.						4,000,000	2,919,663	Nov. 30
Discovery Yellowknife M.	J. W. Ralston	100,000	10	Nov. 29	1,140,000	15-50	3,000,000	1,136,487	Nov. 30
Eastview M.	B. Cooper†	......	..	Feb. 4	1,000,000	5-20	3,000,000	1,000,005	Feb. 8
Flicka Red Lake G. M.	R. S. Potter	200,000	10	Dec. 19	1,799,995	12½-$1	3,000,000	1,000,005	Jan. 15
Glenwood Gold M.	Unigo Mines	200,000	5	Dec. 17	1,400,000	7½-50	3,000,000	999,626	Jan. 31
Goldbeam M.	W. F. Howard	25,000	$1.25	Oct. 31	374,997	$1.25	3,000,000	2,600,003	Nov. 30
Graydel Malartic G. M.	J. C. Coventry‡‡	500,000	5	Nov. 7	500,000	10-20	3,500,000	1,200,006	Nov. 30
Henry Mining Synd.	Can. American Min. Ass.	500	$1	Nov. 23	34,497	$1	$35,000	......	Nov. 30
Heyson Red Lake G. M.	Prospectors' Securities†	......	..	Oct. 30	880,000	10-50	5,000,000	3,333,100	Nov. 30
Janet Red Lake M.	T. C. Kerr	300,000	7½	Jan. 23	1,999,995	10-$1	3,500,000	1,200,005	Jan. 31
Kensull G. M.	A. McMillan†	......	..	Dec. 31	800,000	5-40	3,000,000	1,000,007	Jan. 17
Landson G. M.	F. Feader	200,000	7½	Dec. 12	300,000	10-25	3,500,000	1,200,005	Dec. 24
Larder "U" Island M.	Darien Mining Synd.	100,000	6½	Dec. 19	....	....	3,000,000	2,311,405	Feb. 1
La D'Or Mines	K. N. Fear†	......	..	Nov. 28	1,250,000	5-50	3,000,000	1,200,005	Nov. 30
Larder "U" Island M.	Darien Mining Synd.	100,000	6½	Nov. 27	....	....	3,000,000	2,211,405	Nov. 30
Lingnora Gold Mines	W. G. Waller†	......	..	Nov. 1	594,995	50-$1	3,000,000	1,800,005	Nov. 27
MacDonald M.	W. E. Burke	50,000	$1.50	Nov. 22	250,000	$2-$5	3,000,000	......	Nov. 28
McCuaig Red Lake G. M.	C. A. Gentles†	......	..	Aug. 27	200,000	20-22½	3,000,000	2,175,005	Nov. 28
Marillac Rouyn M.	J. A. Kent†	......	..	Jan. 22	2,000,000	7½-70	....	....	
Obalski (1945)	Option agreement to Samuel Bennett assigned to W. McKenzie & Co.								
Obalski Mining Corp.▲	S. Bennett	400,000	25	Nov. 12	1,100,000	35-$1	5,000,000	5,000,000	Nov. 15
Ogama-Rockland G. M.	Re-sale in Ontario of issued stock accepted for filing Jan. 30.								
Pasco Maritimes Gold	Agreement dated Sept. 12, 1945, has been cancelled.								
Pelangio-Larder M.	M. Stobie & H. McIntyre†	......	..	Nov. 12	100,000	10-12½	3,500,000	2,260,005	Nov. 22
Quytangle Y'knife M.	Torny Financial Corp.	200,000	7½	Jan. 3	1,799,995	10-$1	3,000,000	1,200,005	Jan. 24
Randona Quebec Gold	Harricana G. M.	400,000	10	Oct. 15	250,000	20	3,000,000	1,850,005	Oct. 20
Raleigh Red Lake M.	E. Weaver	500,000	5	Nov. 13	500,000	8-16	3,000,000	1,000,005	Feb. 8
Rupununi Gold Mng. Co.	Verona Rock Products	250,000	10	Jan. 7	720,000	30-40	5,000,000	1,666,672	Feb. 6
Rupununi Gold Mng. Co.	F. J. Roberts	250,000	6	Jan. 7	....	....	5,000,000	1,666,672	Feb. 6
Rupununi Gold Mng. Co.	H. C. Davis	250,000	10	Jan. 7	....	....	5,000,000	1,666,672	Feb. 6
Squall Lake G. M.	Wekusko Cons.	500,000	10	Nov. 16	1,000,000	35-$1	4,000,000	1,820,005	Feb. 8
Scardore G. M.	J. E. Huard†	......	..	Jan. 3	1,000,000	5-20	3,000,000	1,000,005	Jan. 29
Shawkey (1945)	M. Clair Agency on Nov. 5 gave up rights to last block of 100,000 shs. at 70c.								
Silanco Mng. & Ref. Co.	Louis Cadesky	135,612	$1	Jan. 14	774,000	$1	3,000,000	1,326,000	Jan. 18
Tyon G. M.	Industro-Mining	400,000	5-10	Jan. 7	....	..	....	....	....
Thurbois Mines	R. Slutzky	10,000	10	Oct. 1	390,000	20	4,000,000	2,400,005	Oct. 24
Thurbois Mines	Mas Holdings	400,000	22½	Nov. 23	764,995	30-$2	4,000,000	2,400,005	Nov. 27
Thurbois Mines	A. C. Lee	2,000	20	Oct. 9	33,000	20	4,000,000	2,400,005	Nov. 30
Vive Yellowknife	E. Pullan	200,000	10	Dec. 20	2,100,000	10-$1	3,500,000	1,400,005	Jan. 10
West Shore Malartic G.M.	S. G. Downer†	......	..	Oct. 24	375,000	5	3,000,000	......	Nov. 15

†Optionee. *$25,000. ‡Plans increasing authorized capital to 4 million shares. **75% of proceeds accrue to treasury. ‡‡Assigned Jan. 18 to M. Pickering. ▲Covers 1,677,984 donated shares.

AMENDMENTS TO PREVIOUS AGREEMENTS

Extended:	Amended:	Terminated:	Ended:
Beauregard Yellowknife M.	Amy Yellowknife M.*	Cinderella G. M.	Ingray Yellowknife
Blue Chip G. M.	Bruin Yellowknife G. M.	Creole Snow Lake M.	
Brae-Breest G. M.	Rual Porcupine M.‡	Normar Gold M.	
Brunette Porcupine G. M.	Lavalie Mines	Guillet G. M.	
D'Aragon Mines	Leemac Red Lake M.	Sabourin Creek M.	
Dunford Rouyn	Record Rouyn M.	Tomahawk Iron M.	
Ingray Yellowknife M.	Chesgo Mines‡		
Kalbrook Mining Co.	Tyon Gold Mines		
Lynalda G. M.			
Ryan Porcupine M.			
Steeloy Mining Corp.			
Wanapitei Basin M.			
Wendmar Gold M.			

*Withdrawn.

‡Not exercised.

Expect Education Tax Up in Saskatchewan

From Our Own Correspondent

REGINA—In his budget speech, Provincial Treasurer C. M. Fines is expected to announce an increase from 2 to 3 or 4% in Saskatchewan's education tax on all luxury and nonessential goods.

However, the levy will probably be removed from all essential goods such as foodstuffs, which may mean a loss in education tax of as much as 40%. (The tax draws in about $4,000,000 yearly).

Nonessential or luxury goods, it is expected, will include such goods as automobiles, radios, refrigerators, oil burners and the like.

QUYTANGLE YELLOWKNIFE GOLD MINES reports sinking a series of pits on a narrow quartz vein on its Yellowknife property. The vein is reported gold-bearing.

1792 1946

MEMO TO
TRAVELLERS BY AIR

MANY men are unaware that ordinary accident and life insurance policies *may not* cover them against aviation accidents. Consequently when planning to travel by plane they require last-minute and adequate Aviation Accident Insurance.

This can be obtained swiftly through an Aviation Accident Insurance Policy of the "North America" Companies. Your Insurance Agent or Broker can and will promptly insure you against all aviation accident risks anywhere in the world, through one of our Service Offices throughout Canada, thereby often saving the expense of long distance calls, wires or cables.

Indemnity Insurance Company of North America pioneered and still leads in the business of Aviation Accident Insurance.

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INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
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22

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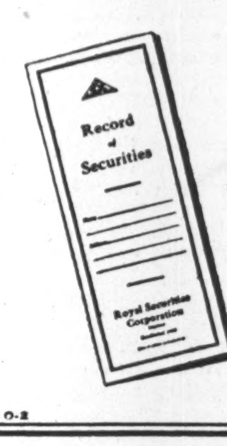

Details of investment holdings should be kept up to date and available for immediate reference. Investors will find our "Record of Securities" folder very convenient for this purpose.

Copy on request.

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O-2

THE VICTORIA TRUST AND SAVINGS COMPANY

LINDSAY, ONTARIO

50 years of Service, Established 1895

Balance Sheet — December 31st, 1945

ASSETS

CAPITAL ACCOUNT		
Office Premises and Land, Lindsay and Cannington		$ 33,700.00
Other Real Estate—		
Farm Properties		33,176.82
City Properties		29,341.57
Advances to Estates and Agencies under administration		18,470.75
Wheat Storage Plants and Equipment		7,167.26
Mortgages and Agreements For Sale		
Principal	$505,017.00	
Interest Due and Accrued	4,957.31	509,974.31
Bonds, Debentures and Accrued Interest		
Dominion and Provincial Government and Government Guaranteed Bonds	284,700.68	
Canadian Municipal, Rural Telephone and School District Bonds	65,638.35	
Canadian Corporation Bonds	81,632.08	431,971.11
Stocks		391,096.79
Loans on Company's Stock and Accrued Interest		13,929.10
Loans on Other Securities and Accrued Interest		13,560.35
Loan to Bond Department—Dominion Govt. Bonds as Collateral		15,857.97
Cash on Hand and in Banks		116,959.94
Total Capital Assets		**$1,615,205.97**
GUARANTEED TRUST ACCOUNT MORTGAGES		
Principal	$4,290,974.76	
Interest Due and Accrued	52,511.07	4,343,485.83
Bonds, Debentures and Accrued Interest		
Dominion and Provincial Government and Government Guaranteed Bonds	2,549,422.03	
Canadian Municipal Rural Telephone and School District Bonds	532,621.23	
Canadian Corporation Bonds	694,076.24	
		3,776,119.50
Loans on Other Securities and Accrued Interest		14,132.00
Stocks		349,056.12
Loan to Bond Department—Dominion Govt. Bonds as Collateral		36,305.65
Cash on Hand and in Banks		157,655.41
Total Guaranteed Trust Assets		**$8,676,754.51**
ESTATES DEPARTMENT		
Investments, etc. held in Trust for Estates and Agencies		2,044,838.51
		$12,336,798.99

LIABILITIES

CAPITAL ACCOUNT	
Capital Stock Subscribed and Fully Paid	$ 925,000.00
Reserve Fund	215,000.00
Investment Reserve	385,000.00
Reserve for Income and Excess Profits Tax less prepayments thereon	18,924.21
Dividend Declared and Payable January 2nd, 1946	11,562.50
Due to Mortgagors	22,966.43
Balance at Credit of Profit and Loss Account	36,752.83
Total Capital Liabilities	**$1,615,205.97**
GUARANTEED TRUST ACCOUNT	
Guaranteed Investment Receipts	$6,054,112.15
Trust Deposits	2,622,642.36
Total Guaranteed Trust Liabilities	**$8,676,754.51**
ESTATES DEPARTMENT	
Estates, Trusts & Agency Account	2,026,367.76
Due to Company Funds	18,470.75
	$12,336,798.99

T. H. STINSON, K.C., PRESIDENT.

C. E. WEEKS, MANAGING DIRECTOR.

AUDITORS' CERTIFICATE

We have audited the Books and Accounts of The Victoria Trust and Savings Company for the year ended December 31st, 1945, verified the Investment Securities, Cash on Hand, and the Balances in Banks. We have, after due consideration formed an independent opinion of the Company as at December 31st, 1945 and we certify that in our opinion so formed, according to the best of our information and the explanations given us, the accompanying Balance Sheet with the related Profit and Loss Account sets forth fairly and truly the position of the Company on that date.

We certify that all transactions of the Company that have come within our notice have been within the powers of the Company.

LINDSAY, Ontario—January 11th, 1946.

RUTHERFORD WILLIAMSON (F.C.A.)
HAROLD A. SHIACH (F.C.A.) } Auditors.

These shares having been sold, this advertisement appears as a matter of record.

Outstanding Issue:

15,000 Shares
The Hahn Brass Company
LIMITED
(Incorporated under the Laws of the Province of Ontario)

Participating Preference Stock
No Par Value — Non-Callable — Cumulative

Preferred as to cumulative cash dividends at the rate of $1.00 per share per annum, accruing from January 1st, 1946, payable as declared half-yearly on January 1st and July 1st, by cheque at par at any branch in Canada of the Company's bankers, far northern branches excepted; non-voting unless in arrears of dividends in the aggregate to the extent of eighteen months, whereupon they are entitled to have one vote in respect of each share held.

Participating Feature

In addition, the Participating Preference Shares participate equally with the Common Shares, share for share, in any dividend paid after the Common Shares have received dividends aggregating 60c per share out of the profits of any year.

Transfer Agent and Registrar:
Chartered Trust and Executor Company, Toronto

Capitalization
(as at February 2nd, 1946)

	Authorized	Issued
Participating Preference Shares, No par value, cumulative $1.00 per share	15,000 Shares	15,000 Shares
Common Shares, No par value	25,000 Shares	25,000 Shares

The Company has made application to list these Preference and Common Shares on The Toronto Stock Exchange.

The offering of these shares, which are being purchased from shareholders of the Company, does not represent new financing by the Company.

The Company

The Hahn Brass Company, Limited was established in 1900, at New Hamburg, Ontario and was incorporated in 1902. The Company manufactures a wide variety of furniture and shelf hardware, hinges, trunk and luggage fixtures, kitchen cabinet, refrigerator and vestibule hardware, memorial tablets, brass and steel stampings, tray handles, brass and iron castings, and many other similar brass, copper and steel products. These products are sold to manufacturers and to the hardware and metal equipment trade throughout Canada.

A descriptive circular will be furnished upon request.

We offer as principals, these Preference Shares, subject to prior sale and change in price, if, as and when issued and accepted by us, and subject to the approval of Counsel, Messrs. McMillan, Binch, Wilkinson and Berry, Toronto.

Price: $18.50 per share to yield 5.40%
with bonus of one Common Share with each five Preference Shares

It is expected that Interim Certificates will be available for delivery on or about February 18th, 1946.

BANKERS BOND CORPORATION
LIMITED
330 Bay Street, Toronto — Telephone: ADelaide 6267

The information contained in this advertisement is based upon statements and statistics which we believe to be reliable. We do not guarantee, but believe the information herein to be true.

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Gas Stations in Clover As Supplies Return

Service station operators have hit a small bonanza since gasoline rationing ended six months ago. Helping to create the boom are these factors.

1. Fixed rentals.
2. Increased sales of gasoline.
3. More batteries, tires, accessories.

A look at the case history of service station "A," which had pre-war sales of about 100,000 gallons of gasoline a year, shows the following:

Sales—No drop during rationing but jumped a third in the latter half of 1945 with January sales this year highest since the station opened. Sales since rationing went off, generally up from 20% to 25%. Tire sales are well up since Jan. 2 with batteries and accessories close behind. Increase in sales expected with new cars, tires coming.

Expenses—Service station leased from oil company and rent is frozen at the 1941 level. During reduced sales rent was reduced as compensation but with sales back up, the rent still must stay at the ceiling. Early closing hours and fewer Sundays open mean less heat, light, labor with sales back up to pre-war peak. Results: costs cut about a third. Outside of a possible increase in rent when ceilings are removed, little increase in operating costs is expected.

Profit—Yearly net profit considerably more than $5,000.

Other service stations may vary slightly from this general pattern. Average sales for a year would probably run between 65,000 and 75,000 gallons. Some pay rent in proportion to sales; but practically all are showing a comfortable margin of profit.

For the future, service station operators see their business as a general supply store for gasoline, oil and automobile equipment. Expert mechanics may operate a repair garage in connection with the service station, but many operators say a service station lot full of half-repaired cars keeps gasoline customers away. The swing to straight sales reverses a trend toward more repair work that became marked during the war.

Managed Investment

Steel of Canada Bought For MacNab's Account

Continuing the policy of taking profits on stocks which appear selling at a high price-earnings ratio, MacNab's manager sells International Nickel common shares and Price Bros. common. Hollinger shares are also sold at this time at approximately double the cost price. Funds from sales are reinvested in Steel of Canada preferred stock and short term Dominion of Canada bonds due 1947.

MacNab Fund Transactions

(Transactions are as of Feb. 7, 1946)

SOLD:

No. of Shares	Security	Net Proceeds	Income
15	Int. Nickel ($46) ..	$684.90	$24.00
25	Hollinger ($19¾) ..	$487.00	$11.50
15	Price Bros. ($58) ...	$863.85	$22.50

BOUGHT:

No. of Shares	Security	Gross Cost	Income
$1,000	Canada 1¾% bond due 1947	$1,012.75	$17.50
10	Steel of Can. ($86)	$863.50	$30.00
Cash balance credited to account			$159.50
Profit on sales			$722.25
Loss of annual income			$10.50

MacNab's Manager Says:

This week's transactions will add $1,000 to your primary reserve of high-grade bonds; $159.50 to uninvested cash and $860 to your secondary reserve of preferred stocks. Your income is thereby reduced by $10.50 per annum. Your cost on the stocks sold is $1,315 and your profit is therefore $720 or 54% on the capital involved.

Steel of Canada

This is the largest company of its kind in Canada with plants at Hamilton, Brantford, Toronto, London, Gananoque, and Montreal. Principal products include basic malleable and foundry pig iron; blooms, billets, wire rods, bars, angles, plow beams and rolled steel bars; nails, screws, automobile forgings, bolts and nuts, rivets, steel plate, tin plate and other miscellaneous products.

Capitalization consists of $6,496,000 7% preference shares of $25 par value and 460,000 ordinary shares of no par. There is no funded debt. Preferred shares participate equally with the common after $1.75 has been paid on each class of shares.

Total assets at the end of 1944 (latest available) were $107 millions. Working capital stood at $27 millions and the ratio of current assets to liabilities was 4.14 to 1. Dividends on the preference shares were covered approximately six times. (Earned $17.93 and paid $3 in 1944.)

Steel production for 1945 was expected to be equal to the record figure for 1944. There is an equity of $198.56 per preferred share, according to the latest balance sheet. This is more than twice the current market value of the preferred shares.

The tremendous deferred demand for durable goods and those products in which steel is used, e.g. automobiles, refrigerators, washing machines, etc., should provide an ample backlog of orders for Steel of Canada for several years to come.

MacNab Fund Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks		
50	Argus warrants	..	3
10	Bell Phone of Can. ...	160	190
15	Brazilian Tract.	26¾	28¼
55	Can. Breweries	13¼	23½
10	Can. Celanese	50	66½
10	Can. Westinghouse ....,	55	61
25	Nat. Steel Car	18¾	28
20	Ford of Can., A	25¼	30½
25	Powell River	18½	32½
	Mining Stocks		
50	Bralorne	14½	18¼
	Preferred Stocks		
5	Algoma Steel, 5% pf. .	79	100½
5	Aluminum Can. 5% p.	102¼	108
10	Argus 4½%	100	99½
20	Can. Canners, 1st p. ..	23¾	26½
10	Can. St'mships, 5% p. .	40	51
10	Massey-Harris, $1.25 p.	21½	29½
10	Steel of Canada	86	86
	Bonds		
$1,000	Canada 1¾%/47		$101.27
$1,000	Canada 2%/46		$100.95
Cash	....		$1,100.80
Current market value of fund ..			$14,342.00
Prospective annual income			$544.75
Average yield on original $10,000 is			5.44%

*Price on Feb. 15/46.

The Financial Post assumes no responsibility for the specific buy and sell recommendation reported here. The changes and reasons for them are made entirely on the responsibility of two investment managers who have undertaken management of two hypothetical investment funds, the operations of which are reported for readers of The Financial Post.

The buying and selling of an individual security for one of these funds does not and should not be interpreted as indicating the wisdom of any individual taking similar action. What is wise for one individual in certain economic circumstances and with a certain list of securities may be entirely unwise for another individual.

Purpose of this continuing feature is to illustrate by actual example, the principles of sound investing based on experience, knowledge and constant attention.

Standard Brands Buys Ingersoll Cream Cheese Co.

The Ingersoll Cream Cheese Co., Ingersoll, Ont., founded 60 years ago, has been acquired by Standard Brands, Ltd., and will operate, without change, as a wholly owned subsidiary. C. H. Sumner, who joined the original Ingersoll Packing Co. as a boy, more than 40 years ago, remains a director.

The Ingersoll Co. gave Canadian merchandising one of its most enduring landmarks—the first packaged cream cheese. From Ingersoll the manufacture of cream cheese spread to Quebec and the United States.

Present plans of Standard Brands Ltd. are to continue and extend promotion of existing brands—Ingersoll, Old Oxford and Rideau—and subsequently to incorporate its own Shefford lines. Plant enlargement is being considered.

WESTON BISCUIT CO., INC., has been formed to take over the United States interests of George Weston, Ltd. Officers are: Robert E. Watson, president; W. Garfield Weston, chairman; H. C. Beach, vice-president; J. V. Hayes, secretary and treasurer, and H. J. Coon, controller.

WE'LL TAKE $6,000,000 WORTH!"

"SIX MILLION DOLLARS' WORTH?* That represents a lot of automatic refrigerators — about 30,000 individual units!"

"Right! But that will be none too many for OUR needs during the first year of unrestricted production. You see, we Toronto Daily Star readers bought an average of approximately 15,000 refrigerators a year before restrictions. Now we have a backlog of at least four years' demand. And the same thing applies to dozens of other wartime-restricted commodities."

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The Financial Post

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Is the Bull Market Ending?

Bulls and Bears Are More Sharply Divided Than Ever in Their Appraisal of the Current Market. The Financial Post Here Digests Views of Qualified Observers From Both Groups on Key Question of Market Outlook

Bull Market Argument

The bulls are still optimistic that stock prices will carry further before a bear market correction gets under way. Basically their enthusiasm rests on the assumption that industrial earnings will increase rather than decrease over the next six months or one year, with increased production offsetting any lowering of unit profit margins consequent upon wage and other cost boosts. They are betting on the inflationary potential at work as outweighing the deflationary potential and believe that common stocks still offer the best hedges in an inflation.

Degree of Bargaining Power

Most important factor underlying business profits and market prices, it is held, is the relationship between demand and supply—the relative degree of bargaining power between buyer and seller. For four years now we have been in a sellers' market with buyers bidding for whatever goods that have been available and prepared to pay the sellers' price. As a result business has been good and the market has been strong.

This school of thought would be prepared to be bearish at this time if it felt that the balance of bargaining power was shifting from the seller to the buyer in a sufficient number of lines to suggest that less profitable operations for industry were in prospect. But, say the bulls, bargaining strength continues to remain in the hands of sellers and this condition will remain until production is more advanced than at present and consumer demands more nearly satisfied. Until that time comes, the bull school maintains, there can be no justification for bear market psychology. And even when this shift does commence, its impact on profit margins will be offset by the high level of consumer purchasing power enabling over-all operations to be conducted profitably even should a new and lower level of unit profit margin exist.

Money Supply

Bull observers state that the biggest single factor in the rise in stock prices (from a DBS level of 56.8 in April, 1942, to 116.9 on Feb. 1, 1946), has been the large and expanding supply of money seeking investment outlets. Bank deposits and cash in Canada now exceed $7 billions against $3 billions in 1937 and 1929 and their pressure for outlets has brought the yield on high-grade long-term government bonds to below a 2.70 basis, against 3.28% in 1937 and a level of 5.01 in 1929. As bond returns are forced downward, the search for better equity returns is intensified and their prices continue to rise. There is nothing on the horizon to suggest that money conditions will become tight, they feel.

Yields

Bullish market observers point to the spread in stock and bond yields at the present time against the spread in 1937 as further support for their bullishness. At present prices the Toronto Stock Exchange average yield is 1.38% greater than the return from 15-year Dominion of Canada bonds, while on the eve of the 1937-38 bear market the yield differential was 0.89%. Another way to say this is at present prices the investor can get a 50½% greater yield by buying stocks rather than bonds. In 1937 he could only get a 27.1% higher return. From this bull observers deduce that there is yet no incentive to sell stocks and buy bonds, but rather the contrary.

This situation will exist until dividends are reduced or until interest rates increase and there is nothing on the horizon to suggest that either of these developments is immediate. Dividends to date in Canada, it is pointed out, are running 8% ahead of 1945.

Margin Buying

Bull observers point out that brokers' loans in Toronto now total $37 millions, despite greater listings and higher market values, as against $42.4 millions in 1937. Margin buying has been ended in New York, has been stiffened in Canada, and these considerations, it is held in bull circles, make for sounder market foundations than ever prevailed in the past.

Book Values

These observers point to the fact that prices are still below their 1937 levels despite the fact that the equity behind common stocks has improved approximately 25% from the 1937 levels. Canadian industry is now in a healthier financial condition than at any time in the past, but the market has not yet fully reflected that fact, say the bulls.

Earnings and Taxes

Views of bullish market observers that the U. S. administration would have to retreat from its "hold the line" attitude on prices have been upheld by the pattern of the steel strike settlement where concurrent wage and price increases were granted. It does not yet appear that total profit margins will be unduly depressed by wage increases and the large-scale program of production yet to be done strengthens the bull position that over-all profits will expand before they contract.

Additional tax relief is a likelihood this year, these observers point out, as the EPT may be reduced or removed altogether in Canada and as the U. S. administration may give some measure of relief from the present system of double taxation for corporate income.

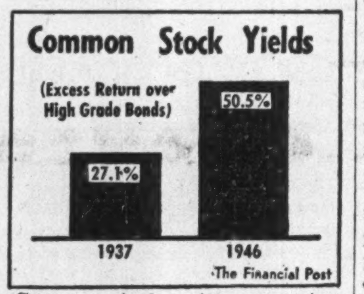
Ultimately security prices must rest on the earning powers of industry and though there are many imponderables in that situation, the bulls feel that the inflationary potential at work today far outweighs the deflationary potential. A condition such as that prevailing today is not material out of which bear markets are made. Over the longer term, they point out, there is the strong likelihood that the United States and Canada will continue to underwrite full production by international loans and investments.

The burden of proof that a bear market is now due rests, according to bullish observers, on the bears.

Many Indexes Still Point Up

Money Supply is Greater than it was in 1937.

Stock yields are higher than the return available in 1937.



Common stocks return a greater margin above bonds.

Bear Market Argument

Always in a minority, market bears are probably fewer in number than ever. But their comments are to the point. These boil down to the view that stocks are overvalued in terms of current earnings, and that investors are looking too far ahead.

Prosperity, they say, may not come as easily or as quickly as some people expect. There may be a buyers' strike before business hits its full stride again, and there is a possibility that the difficulties of the next year or two may bring the Government back into business to a greater extent than before. If that happens, say the bears, much of the government activity will be financed out of taxes on corporation profits.

Picking the Top

Picking the top of the market is much harder than picking the bottom, the bears emphasize. For that reason, plus the technical difficulties of going short today, few bears seem to have taken a short position. Typical is one speculator whose funds are completely liquid, but who buys specific stocks—never more than one at a time—for a two or three-day hold. If the stock fails to give him the expected profit in that time, he liquidates immediately.

Generally speaking, the bears feel that stocks are too dear. They point to large numbers of securities selling for 30 to 40 times earnings. When you remind them that these prices are being paid in anticipation of increased earnings the bears are usually quite willing to admit that earnings may rise. But, they say, when you pay 30 to 40 times present earnings, for a stock, you are looking too far ahead. Cited by one bear as an example of this viewpoint is an iron proposition.

How Far Ahead?

One bear admits that he can see dividends of $1 a share quite readily from this vast iron property, and that the present price of around $10 a share might therefore be regarded as something of a bargain. But, he points out, the property is still only at the ore-appraisal stage. A railroad has to be built, development carried out and production problems solved before the project wil be able to pay a dividend. In short, he estimates that it will be four years or more before this stock pays dividends.

"Is it possible," he says, "that this bull market can run another four years without a setback of serious proportions? After all, it's four years old already."

The bears simply do not believe that the investor can afford to base his judgment on events that are more than a year or two away. For evidence, they point to the boom in armament stocks in 1936 and 1937. War was then only about two and a half years away.

National Steel Car, Canadian Car, Canadian Locomotive, Smelters and Nickel, which were then being bought as war stocks, all played major roles in war production. The 1937 investor who bet on war was right, and by and large he picked the right stocks, say the bears, but in the fall of 1937 he lost his shirt in a sell-off that was steeper than the 1929 collapse. "Being right too early is just as fatal as being wrong," say the bears.

What Prosperity?

Those arguments come from the bears who feel that "a decade of prosperity" lies ahead. There are others who aren't nearly so sure about prosperity, and still others that feel we'll have prosperity, but not necessarily big profits and dividends for shareholders.

Some look for a buyers' strike in consumer goods, particularly durable goods, similar to the one that occurred in 1920. At that time buyers rebelled at inflated prices. Ford cars, for example, couldn't be sold in spite of a price cut and Ford had to shut down.

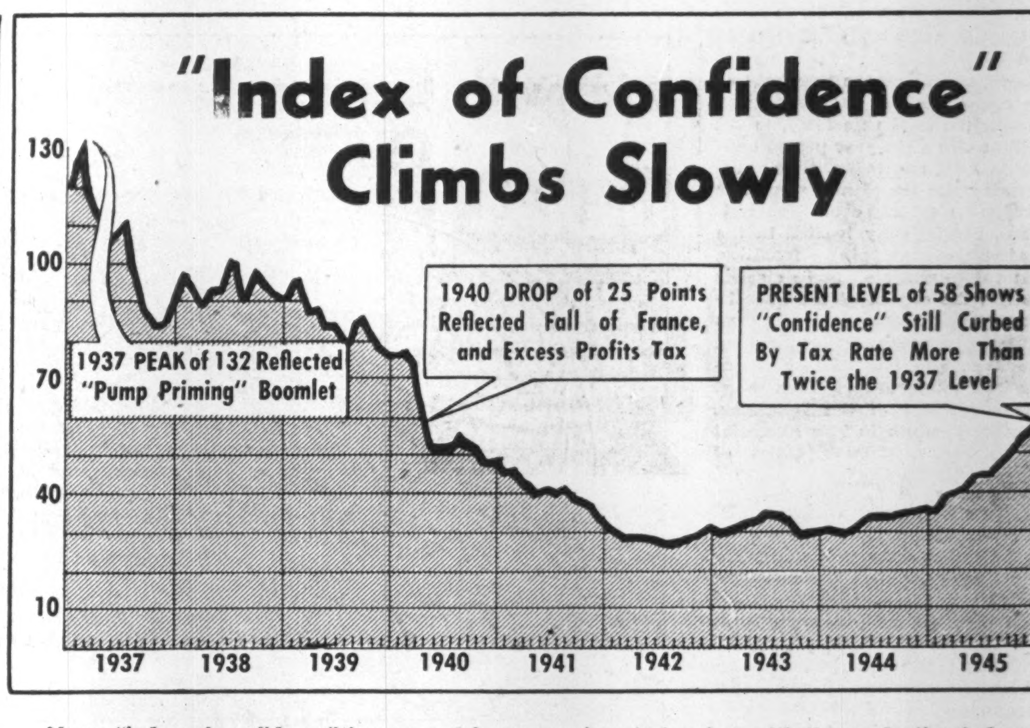
A consumer rebellion, if it spread, would undoubtedly cause a slump the bears say. Perhaps it would be no more than a "correction" in the bull market. But the bears point to 200,000 already unemployed, to the damage to production and earnings that has already been caused by strikes, to the "mopping up of surplus purchasing power" that has been caused by high prices and unemployment. They come to the conclusion that the country may wake up and find itself actually short of purchasing power a good deal sooner than had been expected. If nothing else happens, they feel, industry will be fiercely competitive in the next few years and big profits for shareholders may not be possible.

Volume Output Essential

With today's wages and taxes, say the bears, industry can only deliver profits if big volume is attained and maintained. And that means a complex job of turning out satisfactory designs at satisfactory prices so that goods can move quickly into the consumer's hands. In most but not all lines, they say, the public is still buying most of what's offered to them, regardless of quality or price. The public will only do that until he has met the worst of his shortages. After that, say the bears —watch out!

Perhaps the chief difference between bears and bulls today is in the attitude toward a "recession," "correction" or "minor setback." Both groups are optimistic about the long pull, but where the bull thinks he can ride out any "correction" in the market, the bear has a mortal terror of being caught long. He feels that stock markets have become one-way streets—they go up all the way without a break and then drop the full extent without a pause.

The bears are obsessed with the importance of being out of the market **before** the break comes. They don't mind seeing the other fellow get the last few points of profit out of the market—so long as they're not caught long in the sell-off. They would much prefer to be soon than sorry.



Above "index of confidence" is procured by comparing stock prices with the production index —thus revealing how optimistic or pessimistic investors have become in their appraisal of values. Currently, the index is nearly twice as high as it was in the black days before El Alamein, but is still well below the levels that held before the Fall of France. One reason for the low level of "confidence" is taxation—in order to show the same net per share as in 1939, stocks today have to earn one-third more before taxes. High wages in 1946 also squeeze profits, mean that production must be far above 1939 in order to maintain pre-war earnings.

Depression Aftermath Still Throttles Production of Bricks Across Canada

"All right." That was Reconstruction Minister Howe's evaluation of the brick supply situation at his press conference last week. But builders, home seekers and brick industry leaders promptly termed the pronouncement optimistic as regards Ontario and the West, while admitting it was not far wrong as regards Quebec province.

Instead they looked to expected early reports by the Canadian Construction Association and WPTB for a down to earth picture of building supplies generally—not only brick but also lumber, glass, wallboard, nails, soil pipe, furnaces, plumbing fixtures and other items now falling grievously short of clamorous demand.

That brick is being produced at somewhere around two-thirds of existing plant capacity, and that it will gain only very slowly unless heroic measures are applied, most brickmakers agreed in advance of the official finding.

Ontario's larger surviving brick plants are reported running at from 50% to 80% of potential capacities. Quebec's seven main plants are said to be averaging a ratio of output to capacity "considerably higher" than Ontario's.

Succession of Blows

Brick making declined steeply with building itself back in the early 1930's. High taxes on real estate, according to some, then conspired to curb recovery. And early-war emphasis on temporary construction again defeated brick men's hopes.

When the smoke cleared away and an all-time record building program began to take shape, an estimated three dozen of Canada's smaller and medium-size brickyards had been dismantled and the operating companies wound up—at least 24 in the Toronto-Hamilton area alone, according to industry record. And idleness or semi-idleness of the rest had resulted in rapid deterioration of capital equipment. It is noted that brickmaking is largely an outdoor operation—wet, cold and dirty for machines as well as men.

On top of this physical decline in plant, the armed forces and war industry took the cream of the brick workers. Replacements—only now beginning to approach the required rate of induction—are described as perhaps half as productive as their predecessors. Wage increases and coinciding decline in average productive efficiency of the worker are said to have doubled production costs, which in Ontario now amount to something like $11 per thousand brick.

Brick producers estimate the industry now needs 500 "good" men, more time to clean up the backlog of plant repairs and to assemble power shovels and fork lift trucks still in short supply.

More Price Relief?

The industry, its wartime ceiling prices moored to near-depression level, got some price relief in 1943, further effective relief in removal of the 8% sales tax in 1945 and, for the Toronto-Hamilton area alone, a still further upward adjustment in the same year.

Now, some in the industry tell The Financial Post, yet more easing of price control is needed to enable competition in the labor market for able and willing workers, and to further mechanize operations. Some expect this will be a salient recommendation of the CCA fact-finding committee on supply.

Government figures at year-end —now presumably to be amended by February findings of the CCA and WPTB—showed stocks totalling just under 18.5 million brick, of which Quebec had 8 million and Ontario 6 million. Sales total in 11 months of 1945 was put at 168 million brick, as against 155 million in the whole of 1944.

What's needed right now is a figure nearer 350 million brick a year, building industry observers estimate. And few have any idea how Canada can achieve such a level of production even by 1947.

Not expected by brick makers is any proposal to the government that the industry be put on a two-shift basis. This, they point out, would involve major expansion in kiln capacity which not only would over-expand Canadian brick plants in terms of normal demand but also would consume large stocks of brick and require the services of nonexistent bricklayers.

Litigation May Delay Refunding in Montreal

MONTREAL (Staff)—Delay in registration for sale in the United States of recently-announced refunding bonds of the City of Montreal, is seen as result of an action entered in the Superior Court here, challenging the financial reorganization of a year ago.

Lucienne Jeannotte, wife of Dr. L. V. Farley and owner of two city bonds of $1,000 each, maintains that the city violated one of its own by-laws in using money from local improvement, pension and insurance funds to subscribe to $1,078,000 refunding bonds a year ago. She asks that the by-law be annulled and she be paid value of her bonds, or alternatively, that the city's purchase be declared illegal.

Budget estimates for 1946-47 provide for increase in expenditures without any increase in general taxes—a budget balance of $60,105,730 revenues and expenditures, highest on record.

Highlights include:

No increase in general taxation; increase in taxi license fees from $16.50 to $150; $6.9 millions for debt retirement; $1,050,000 for extra redemptions; $50,000 for supervision of taxis; opening of five new libraries, three for adults and two for children; a new social disease division of the Health Department; increase in police force; $3 millions for capital expenditures; preparation of plans for $10 millions postwar projects; plans for $30 millions other projects; a program of traffic prepared by the City Planning Dept.

Estimated revenue of $60,103,730 includes $4.2 millions to be transferred from the surplus of the general fund, and to be used as current revenue. Of the $4.2 millions, $3 millions will be used for capital expenditure, balance for debt refunding. Capital outlays planned are for improvement and maintenance of water and sewer systems, and for parks.

Quebec House Is Seen Facing Hectic Session

Education, Electricity, Ottawa Parley Among Controversial Issues

MONTREAL (Staff)—Education, electricity and the Dominion-Provincial Conference are likely to be issues on which greatest controversy will develop, in the session of the Quebec Legislature just getting under way.

Premier Duplessis has given notice of plans for complete revamping of the system of education financing in the province. His proposal to impose special taxes on business and industry to increase revenues for education already has drawn protest in some quarters.

Expropriating of the physical properties of Montreal Light, Heat & Power Consolidated caused controversy at the last legislative session, and is likely to do so again, as no settlement yet has been reached with stockholders. The Government also plans extension of electricity service to more rural communities.

The Government proposed to authorize Quebec Hydro to lend up to $1 million to former Montreal Power employees and $100,000 to Beauharnois employees to permit them to build or buy homes. Loans would be up to 85% of value fixed by Quebec Hydro, interest 3%.

The Government will have one more supporter than at the last session, due to the Beauce by-election, the Bloc Populaire one less. The Liberals have lost a member through the death of William Duffy, M.L.A. for Compton. The lone CCF member, David Cote, having broken off with the CCF Party, is expected to vote with the Liberals.

With Premier Duplessis holding only a slim majority, the Liberal opposition is expected to be more aggressive in attack than last year. Also, end of the war has cooled the emotional unsettlement which upset ex-Premier Godbout at the last voting.

Rental Housing Subsidy Is Asked by Architects

Immediate establishment of a special department of the Dominion Government, responsible to the Minister of Health & Welfare, to deal with housing and town planning, is recommended by the Royal Architectural Institute of Canada in a resolution passed at its 39th annual meeting in Quebec City last week end.

The Institute urges implementation of a comprehensive subsidized low-rental housing program aimed at rehousing the lower income group through local housing authorities, and appointment of an advisory technical committee "to properly co-ordinate the urgently needed housing program for all citizens of Canada."

Provincial governments and educational authorities are asked to take immediate steps to subsidize and establish courses in town and regional planning in the four schools of architecture, namely, Ecole des Beaux-arts and McGill University, Montreal, University of Toronto and University of Manitoba, Winnipeg. The RAIC found town and regional planning "an urgent necessity and in great demand."

Ontario's proposed town planning bill will be ready in draft for the coming legislature session, the Institute's planning committee reported. The bill is the work of an eight-man advisory committee to the Dept. of Planning & Development, composed of representatives of Ontario associations of landscape architects, professional engineers land surveyors and architects.

"Deep concern over shortage of skilled building mechanics was voiced by Forsey Page, Toronto, retiring president of the Institute. Said Mr. Page:

"It is becoming increasingly clear that the failure of the apprenticeship system during the depression and war will impede progress in the vast construction program ahead.

"Any lengthy shortage of bricks or bricklayers will produce an urgent demand for rapid acceleration of bricklayer training and for establishment of new, modern brick plants or, failing these, new forms of exterior wall construction. I believe that for light structures, new exterior wall systems are already overdue."

See Good Orders in 1946 For Can. Shipbuilders

First Boost Given By $45 Million of French Orders — Industry is Estimated to Have $270 Million Orders in Hand or Expected as at Feb. 1

First big boost since V-J Day for the Canadian steel shipbuilding industry was seen in the announcement that the French Supply Mission had awarded $45 millions in contracts to three Canadian yards, Canadian Shipping & Marine Engineering News (a Maclean-Hunter publication) reports in its February issue.

Another $45 millions in contracts for Canadian industry is expected this year from the French. In addition an estimated $75 millions in work for Canadian shipbuilders and Canadian industries supplying components that go into ships is expected from Chinese orders. Orders in hand and expected total $270 millions as at Feb. 1, it is estimated.

The French contracts are as follows:

1. Burrard Dry Dock Co., North Vancouver — 10 colliers costing about $17 millions—five of 5,000 tons and five of 7,500 tons—the latter to be powered by Parsons turbines, to be built by John Inglis Co.
2. Geo. T. Davie & Sons, Lauzon, Que—four colliers of 7,200 tons.
3. Marine Industries Ltd., Sorel, Que.—four colliers of 7,200 tons and 15 fishing trawlers.

Engines for the eight colliers to be built in the two St. Lawrence yards will be shipped from France for installation.

Biggest gambler in the bidding to date is reported to be President Clarence Wallace of Burrard Dry Dock Co., who upset predictions by underbidding eastern yards on the 10 colliers. Canadian Shipping understands that Mr. Wallace gambled heavily on the proposition that his workmen would buckle down and so improve productive efficiency that he would at least "break even" on the contracts. The contracts mean work for 2,400 employees for at least 18 months.

In replying to criticism on the letting of the contracts, D. B. Carswell, president of Wartime Shipping Ltd., pointed out that the contracts were let by French authorities and not by the Canadian Government. He also referred to public announcement last October that the work would be awarded on a competitive basis.

The over-all picture in the Canadian shipbuilding industry at Feb. 1, as seen by Canadian Shipping & Marine Engineering News, is as follows:

1. Canadian shipbuilders now have on hand steel shipbuilding and repairing contracts with a total dollar value of $105 millions.
2. Pending orders for further cargo vessels, barges and trawlers for the French and Chinese governments have an estimated dollar value of $120 millions.
3. Private orders now on hand, both domestic and foreign, for passenger type of vessels and for conversion of wartime types, have a dollar value in excess of $25 millions.
4. Canadian yards expect to receive new private orders in 1946 having an estimated value of $20 millions.

Labor Roundup

40-hr. Week, No Pay Cut Aim of New CCL Drive

As predicted in The Financial Post (Nov. 24, 1945) the success of U. S. labor unions in obtaining wage increases of 20% or more has found an answering echo in the councils of at least one Canadian labor group. Meeting last week in Ottawa, the executive council of the Canadian Congress of Labor appointed a "wage co-ordination committee" with the avowed intention of supporting campaigns for higher wages and reduced hours in Canada.

The new wage committee will co-ordinate all CCL union action aimed at a 40-hour week with the same take-home pay now received for 45 hours. Composition of the committee suggests the CCL's plan of attack. Members of the automobile workers, steel workers and mine, mill and smelter workers are included in its makeup. The suggestion is that the Congress does not intend to repeat errors of strategy encountered by the parent CIO in the United States, such as the steel strike being called and halting all automobile production while General Motors workers were simultaneously on strike.

In demanding 45 hours' pay for 40 hours' work, the unions concerned will have attractive bait to dangle before their followers, and the success achieved across the line will serve as a further spur. The broader economic implications are very liable to be lost in the clamor. Talk of inflation and the real value of dollars could scarcely compete with a slogan like that for the attention of the individual worker.

Before pursuing the proposed campaign with too much enthusiasm, however, workers in industries under CCL jurisdiction might well indulge in a little quiet reflection. One thing they might reflect on is that, even if Ford workers had received 20% increases at Windsor, they would still have had to work 500 days—almost two production years —to earn as much as they would have received without any increase and without their 100-day strike. Collective bargaining is one thing; a hasty strike quite another.

* * *

Word from Windsor this week is more encouraging than it was when Ford of Canada announced its shut-down beginning at midnight on Feb. 15. Termination of the U. S. steel strike is now expected to shorten the production layoff considerably. Chrysler Corp. of Canada has posted seven-day notices of layoff, but still hopes it may avoid a shut-down now that the steel strike is over. Whether this can be done will depend on how quickly deliveries are resumed from U. S. sources.

* * *

U. S. observers express doubt the Senate will pass the sharply restrictive Case Bill, which seeks to make unions legally responsible for their actions. Business and industry have indicated approval of the measure, as a counterbalance to the Wagner Act, and Congress already has passed it.

The Case Bill would make labor unions liable to injunctions, outlaw violent picketing or organized boycotts, provide civil suits for labor contract violations and ban strikes for 30 days while a national labor-management mediation board considered the dispute.

U. S. Air Lines Endorse International Airport

From Our Own Correspondent

WINDSOR—Commercial air lines serving Detroit favor the proposed international airport site near Windsor, Robert J. Wilson, spokesman for the air lines negotiating committee, told Detroit common council. He said it offered the same conveniences as the rejected northwest site.

"The air lines want an airport which will let us serve the people in the best possible way," he stated. "We do not feel that Wayne County should become the permanent site; it is too far from the generating air line traffic."

Mr. Wilson promised to determine whether the air lines would agree to long-term, self-liquidating leases for the international site, such as were offered for the northwest site. The air lines, he said, are willing to do everything possible to pay their share of the cost.

In the meantime, the Detroit council ordered a survey of origin and destination of air line traffic, to provide a comparison between the international site and the Wayne County airport.

Canadian authorities are awaiting a definite request from Detroit before the projected airport becomes the centre of negotiations on a federal basis. Hon. C. D. Howe, Minister of Reconstruction, told Detroit representatives in Ottawa recently, that Canada would co-operate fully in making the site available for airport development.

Sandwich East township council is seeking a share of government revenues from airport operation, to compensate for loss of assessment.

Growth Cities of Canada-IX

Quebec City, Rich in Power and Labor On Threshold of Postwar Industrial Boom

Quebec, Canada's historic Citadel City, gateway to the Old World, stands on the threshold of an era of postwar expansion. Her production total rose 210%, to $84 millions, in a six-year period ending in 1942; and today, civic authorities alone are planning postwar projects totalling over $100 millions. Strategically located in the matter of shipping facilities, natural resources and electric power, the capital of the French-Canadian province also has an abundant reservoir of skilled workers, and has had fewer industrial disturbances than most other sections of the Dominion. Quebec is ninth in The Financial Post's series, Growth Cities of Canada.

Like most cities which contributed substantially to the war effort, Quebec City is finding 1946 a testing year. Unlike many industrial centres, Quebec enjoys such fundamental economic assets that it can hardly help but continue the growth pattern which it has set in the past decade.

That pattern has been one of substantial industrial progress. In 1942 the gross value of Quebec City's production was $84 millions. In 1943 it was $100 millions, up 210% from 1936. In this respect it outstripped the record of Quebec and Ontario provinces.

It's easy to find why Quebec City has grown in the past, why its outlook for the postwar period is so hopeful. Here are some of the more significant factors which underlie its past and will contribute substantially to its future:

1. Developing out of the World War II industrialization of the city, Quebec City now possesses over 25,000 skilled workers. Their reliability is a byword.
2. One of the world's largest drydocks and superior harbor facilities make Quebec City one of the more important North American cargo stops.
3. The city is located at the centre of the most important hydroelectric power producing territory in the world.
4. Quebec City is the natural distribution point for an aggregate population of more than 600,000 people represented by Temiscamingue - Abitibi, Saguenay-North Shore, and the South Shore-Gaspe Peninsula districts.

Add to this the proximity of the city to large supplies of raw material resources and you have all the fundamentals which make for continued industrial growth.

"Sell" City Elsewhere

Though they know their city has been richly endowed by nature, the city fathers of Quebec are doing a good job of selling Quebec City industrially to the rest of the country. In their Industrial Commission they have an organization equipped to attract business capital to their city. This commission has plans involving the postwar expenditure of over $100 millions for the further development of the city. These funds have been earmarked for the following specific purposes:

1. Enlargement of port facilities through the reclamation of 180 million cubic yards of land.
2. Development of new industrial and commercial zones alongside the main lines and sidings of the railroads and the six miles of deep water wharves.
3. Canalization of the St. Charles River.

These projects will cost an estimated $83 millions. In addition the city is supporting a Levis-sponsored $18 million bridge connecting the two cities.

In connection with these postwar plans, the Royal Commission on Veterans' Affairs recently stated: "An example of municipal schemes for development, and the only one presented to the commission, is the ambitious project for the development of Quebec City. Planned by that municipality with the support of the Provincial Government, it will provide employment for large numbers of construction workers for many years."

The Industrial Commission is not overlooking the part which private business funds will play in development of the city. To attract private capital, the city has been subdivided into eight economic zones, each nurtured as a site for private investment. In the Industrial Commission's scheme of postwar affairs, public funds are being used on projects to which private capital is not adapted.

See Big Building Boom

The record of the commission speaks for itself. In the first 11 months of 1945 (when it was organized) new industries attracted to Quebec City represented an invested capital of $815,000, creating more than 330 new jobs and distributing $550,000 annually in new payrolls. Construction in 1945 totalled $4.4 millions and this level will be exceeded 75% in 1946, according to estimates.

In common with most industrialized cities, Quebec City had its share of war production and contributed much to victory. Its shipyards, manned by 13,000 employees, turned out corvettes and frigates, rated by British Admiralty delegates as the best of their kind. Some 10,000 workers turned out small arms ammunition with a precision and skill which made Quebec City arsenals world famous. Technical schools of the city were enlarged fourfold during the war to keep up with the continuing and growing demand placed upon them for skilled personnel.

The city now has 8,000 unemployed, a natural outcome of the conversion from war to peace. Of the three shipyards in the city during the war, only one is still in operation, and it on a substantially reduced scale. But this labor force can be used to create many new industries and its existence is both a challenge and an opportunity.

Industrial growth of Quebec City to date has been along the lines of a wide range of small companies. The average firm employs between 25 and 75 persons. This feature, coupled with the reliability and steadiness of Quebec City labor, gives added stability to the economy of the city. Within the city's limits there are 180,000 people, 90% French speaking. Within an area of 25 miles Quebec City industries have a market of 330,000; within 50 miles, there are half a million customers.

The big future of the city undoubtedly lies in the application of its skilled labor, power and other raw materials, particularly timber and mineral resources, on a full-sized industrial basis. Production of pulp and paper, which requires an investment of $30,000 per ton of daily capacity, has found the city an attractive location. And particular appeal is held out by Quebec City to such industries as electrochemical and electrometallurgical where power, mineral resources and good port facilities are primarily required.

Pattern Is Varied

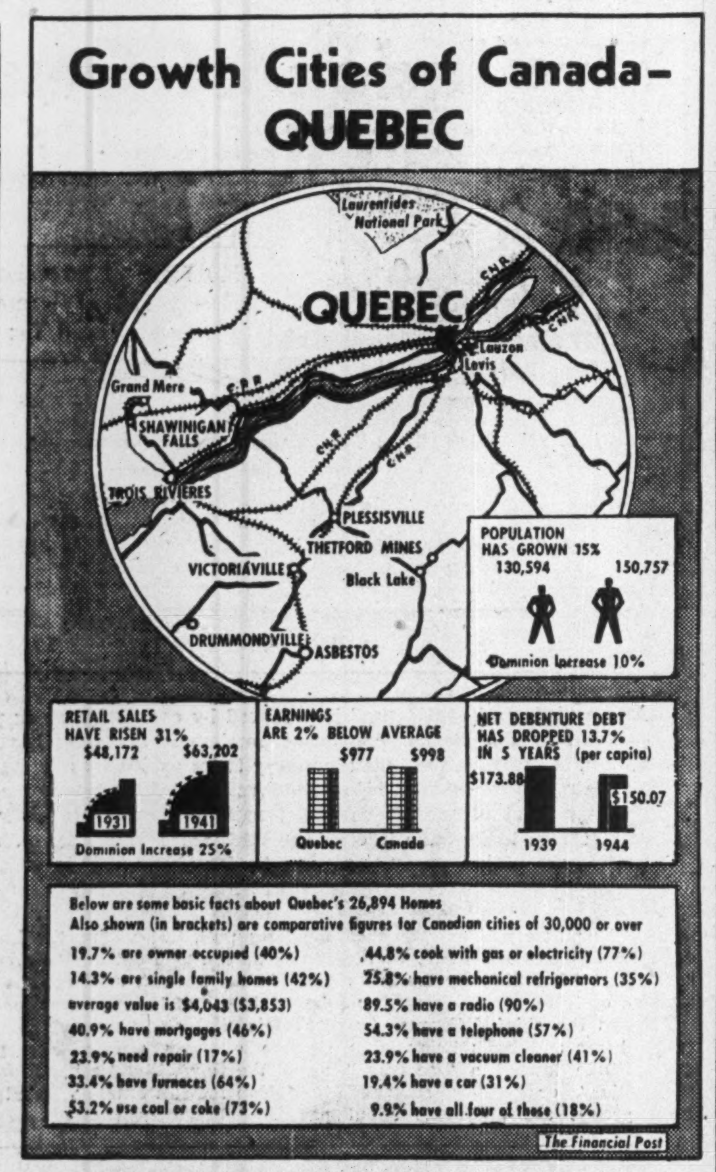
The pattern of industries in Quebec City varies from breweries and box manufacturing to pulp and paper, pharmaceutical, printing and publishing and paints. The leather industry is largest in point of production and employment. The city ranks first in Canada in the production of foundation garments. The wholesale grocery firm of J. B. Renaud & Co. is one of the largest of its kind in the province.

Quebec City is head office for four large pulp and paper companies, — Anglo-Canadian, Price Bros., Donnacona and Donahue Bros. At Anglo-Canadian there are 900 employees in the Quebec City mill and in the cutting season this company employs 2,000 in the woods. Over 50% of Canadian pulp and paper production originates within the province: the city of Quebec accounts for a good share of that production.

Athough housing the Provincial Parliament, Quebec City is not a city of civil servants. At most, these government employees represent no more than 10% of the city's population. The city is one of Canada's more important educational centres and is particularly well equipped with professional men, including several thousand master degree graduates in Arts and Commerce.

Quebec City is closely following the question of free ports for Canada, and would like to see one approved for the city. Businessmen strongly feel that this would promote greater activity for the port of Quebec and the city's industries. But they don't believe that a free port by itself would be the key to the city's prosperity. It would be a valuable link in their postwar program, but their plans for postwar expansion will not be modified if the free port fails to materialize.

An increase in world trade resulting from Bretton Woods and the other international plans to promote world recovery will find an immediate reflection in Quebec. The city knows it has a bill of industrial goods to sell the rest of Canada. It is interested in becoming known. The city wants more work to do and knows that if it gets it, it has the equipment to do a bangup job.



Ontario Plumbing Code May Govern All Municipalities

Uniform municipal regulations governing plumbing installation in building throughout Ontario is the goal of a new provincial plumbing code to come up for Cabinet decision, probably next summer. Dept. of Health, under the Public Health Act, already has authority to enforce such uniformity.

The code is being drafted by a technical committee headed by Dr. A. E. Berry, director of the Health Department's sanitary enginering division and including representatives of Canadian section, American Water Works Association, Canadian Institute on Sewage and Sanitation, Canadian Institute of Plumbing & Heating, Canadian Association of Master Plumbers and Heating Contractors.

Dr. Berry, reporting "excellent" progress with the study, tells The Financial Post the draft code will be ready for the Cabinet "before the year is out."

Wide variation among local plumbing codes is especially trying to manufacturers of factory-built houses, such as the Faircraft aluminum-clad house. The proposed code would establish sound plumbing standards in communities now lacking plumbing regulations of any kind.

Mayors Will Ask Home Tax Subsidy

Mayors and reeves of Greater Toronto municipalities, led by Toronto's Mayor Saunders, will ask the Dominion Government to contribute financially in a tax equalization plan for low-cost housing. An Ottawa appointment is now being sought with Finance Minister Ilsley and Reconstruction Minister Howe.

The delegation will submit, The Financial Post understands, that it costs a municipality an average of $85 a year to service each home and that compensating revenue from a low-cost house, say $5,000, seldom exceeds $50 a year. It will ask Ottawa to assume responsibility for a large part of the difference and thus promote municipal participation in emergency low-cost housing programs.

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NORMAN E. HORTON

has purchased the Ingersoll Casket Co. and its parent the James A. Cole Furniture Co. and has become president and general manager.

Beer By Glass Is Asked In N. S.

From Our Own Correspondent

SYDNEY — With three Cape Breton municipalities—Dominion, Glace Bay and New Waterford—on record in favor of beer by the glass, Halifax will vote on the same question March 20; Sydney and Cape Breton County later this year. Nova Scotia labor groups support the movement, and also ask for longer hours of sale in liquor stores, saying the present 5 p.m. closing encourages absenteeism from employment, and also bootlegging. Dry organizations are opposing the campaign.

If beer parlors are legalized in Nova Scotia, they will be under Government, and not private, operation, it has been intimated.

McMURRAY SALT FIELD in northern Alberta produced 29,361 tons in 1945, an increase of 4,119 tons; production value $293,610.

YOU'LL PLAY SAFE AND SURE, IN GOLF, TENNIS, BASEBALL, FOOTBALL OR BASKETBALL WITH SPALDING AND REACH, WRIGHT & DITSON

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The safest and surest way to play the game is to have equipment that can be relied upon for quality and efficiency.

Equipment that has acquired the recognized first in every field of sport is the equipment to rely upon to play safe and sure no matter what the season or sport.

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Brantford • Canada 6

SEVENTY-FIFTH ANNUAL REPORT

THE ONTARIO LOAN AND DEBENTURE COMPANY

Presented at Annual Meeting Held February 13th, 1946

FINANCIAL STATEMENT

For the Year Ended December 31st, 1945

ASSETS

Cash on hand and in Banks		$ 474,922.49
Deposits with and Securities of Loan and Trust Companies of Canada		419,704.54
Dominion and Provincial Govt. Bonds		7,180,373.92
Canadian Municipal Bonds		116,930.15
		$8,191,931.10
Loans on Stocks and Bonds	$ 84,813.43	
Mortgages on Real Estate— Principal less reserve	11,287,983.20	
Real Estate Held for Sale	34,253.99	
Agreements for Sale	135,864.46	
Office Premises	90,000.00	
		11,632,915.08
		$19,824,846.18

LIABILITIES

To the Public:		
Deposits		$ 4,714,615.01
Debentures		10,433,831.87
Reserve for Income Taxes		109,450.45
Other Liabilities		843.56
		$15,258,740.89
To the Shareholders:		
Capital	$2,000,000.00	
Reserve Fund	2,400,000.00	
Quarterly Dividend payable 2nd January, 1946	50,000.00	
Balance carried forward	116,105.29	
		4,566,105.29
		$19,824,846.18

PROFIT AND LOSS ACCOUNT

Provision made for Dominion Income Tax for 1945 ($70,000.00 of this amount was paid in 1945)	$145,000.00
Transferred to Benefit Fund for Employees	15,000.00
Written off Office Premises	10,000.00
Usual Dividends paid	200,000.00
Balance carried forward to 1946	116,105.29
	$486,105.29

Balance brought forward from previous year	$115,194.96
Net earnings for the year ended 31st December, 1945, after payment of Interest on Deposits and Debentures, Expenses and Charges, all known losses having been met	370,910.33
	$486,105.29

A YEAR OF GROWTH --- ASSETS INCREASED TO $19,824,846.18

Net earnings for the year before Income Tax $370,910.33.

All Dominion Income Tax has been paid to the end of 1944 and full provision ($145,000) made from 1945 earnings for the Income Tax on 1945 income.

Deposits and Debentures increased by $1,204,113.56.

Cash and liquid securities amount to 174% of deposits.

Real Estate Held for Sale reduced to $34,253.99, the lowest figure for many years.

Over Two Million Dollars advanced during 1945 on new Mortgage loans, chiefly for the construction of new dwellings.

Payments on Mortgages were exceedingly well met.

Reserve Fund of $2,400,000 exceeds by 20% the amount of paid in Capital, $2,000,000.

BOARD OF DIRECTORS

ARCHIBALD McPHERSON, President — THOMAS H. MAIN, Vice-President

J. McCLARY GUNN — O. ROY MOORE — JAMES B ORR — J. EDGAR JEFFERY

Manager: Thomas H. Main

Assistant Manager: Joseph P. Dewan

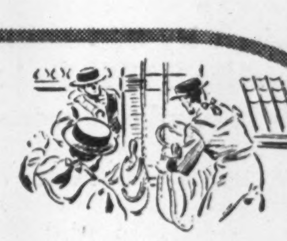
Accountant: F. Earl A. McKellar

Auditors: A. G. Calder, F.C.A. R. C. Cowle, C.A.

Solicitors: Jeffery & Jeffery

At the annual meeting of shareholders held at London, Ontario, on the 13th February, 1946, the Seventy-Fifth Annual Report as above was adopted. The Directors were re-elected and the Auditors re-appointed. At a subsequent meeting of the Directors, Mr. Archibald McPherson was re-elected President and Mr. T. H. Main, Vice-President of the Company.

OFFICES: DUNDAS ST. AT MARKET LANE, LONDON, ONTARIO



NAVAL CUSTOMS AND TRADITIONS NO. 1

THE NAVAL COLLAR: When sailors favoured pigtails as a mark of their distinctive occupation, the tar and grease applied to keep the pigtail stiff soiled the jumper — so colourful "Jack Tar" wore a wide collar. In 1857, the addition of three rows of white tape was authorized—and contrary to popular belief are *not* symbolic of three great British naval victories. The reason remains unknown.

PLAYER'S MILD
Plain - have "Wetproof" paper which does not stick to the lips.

In The Best Of Tradition It's Always

Player's Please

MILD or MEDIUM
CORK TIP—PLAIN END

PLAYER'S NAVY CUT CIGARETTES

When—NOT IF—another day dawns

FORWARD THINKING

Forward thinking is essential to success. Yet much of our life's planning must be founded on patterns from the past. We say "When (not if) another day dawns."

POST-WAR PLANNING

It follows that our post-war planning must not only be founded upon but must be improved by our experience of war and pre-war years.

WITH INSURANCE

Similarly with insurance. Though its dealings are exclusively in futures, its functioning is best measured by its past performance. Thus judged, an Employers' policy gives to tomorrow that assured knowledge we already have from yesterday.

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION LIMITED

THE EMPLOYERS' ASSURANCE

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Manager for Canada and Newfoundland

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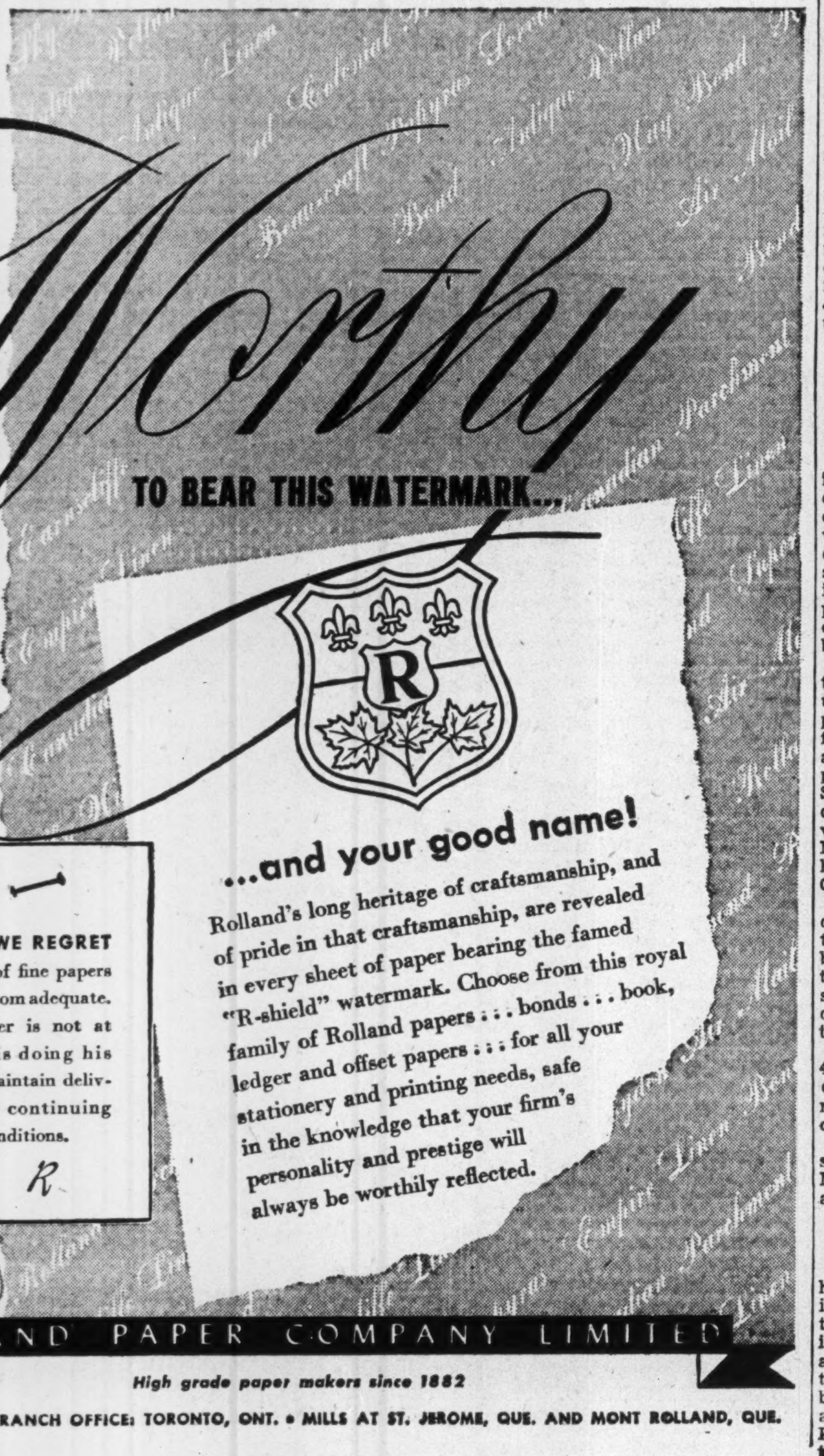

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Servicemen's Exemptions

I am a soldier just returned from overseas. Please tell me to what exemptions on my income I am entitled for income tax purposes.

If you have been overseas for six months or longer, on return to Canada you are entitled to exemption on your service pay for six months from date of return. If you were overseas less than six months, you are allowed exemption on service pay for a period corresponding to the time you served abroad. You are allowed no exemption on civilian income.

Rented Property Charges

I own several buildings which I rent to other people. On one building the income is insufficient to pay the carrying charges. May I set off these against income from other more profitable properties?

Yes. The charges on the one property may be charged against income from more profitable property.

INVESTMENTS

Standard Paving

What is the latest information regarding Standard Paving & Materials?

The latest information has been the offer made the preferred shareholders of Consolidated Sand and Gravel Ltd. to exchange each share of their stock for five shares of the preference stock of Standard Paving, offer to remain open until March 31, 1946. Standard Paving already owns all the common shares of Consolidated Sand and has negotiated an exchange of preferred securities with some of the largest shareholders on the same basis of exchange.

Net profit of Standard Paving for 1944-45, not including profit on sale of equipment, was 23,873 ($32,737 the year before). This worked out to earnings per share of 47c. on the preferred (65c. the preceding year).

A deficit was shown on the common of 29c. in 1944-45 and 23c. in 1943-44. Based on net profit, including refundable excess profits tax, earnings were 83c. on the preferred and a deficit of 16c. on the common ($1.09 and a deficit of 6c., respectively, the previous year).

Elimination of preferred arrears amounting to 31¼c. a share was effected July 15, 1944. Working capital as at March 31, 1945, increased to $452,094 from $314,267 at end of 1944. The company has no funded debt. Consolidated Sand and Gravel showed a deficit of $8,059 for the fiscal year ended March 31, 1945, (profit of $1,681 the previous year).

As at above date capitalization consisted of 50,000 preferred shares and 131,082 common shares.

Standard Paving has weathered the difficult war years in fairly good condition and now enters a period of assured markets.

Dominion Textile

Please give me some information as to the outlook for Dominion Textile Co.

The outlook for the Dominion Textile Co., in common with all companies in this field, is uncertain due to new competition from British and U.S. textile firms. The protective tariff against Britain is already gone, that against the United States may be reduced or removed.

The management of Dominion Textile is preparing to meet these changes in demand and supply by concentrating on mass production of items in which it has the greatest advantage.

The financial position of this company has been greatly strengthened during the war years and it enters 1946 stronger financially than in some years. Working capital at $15.5 millions is up over 80% from 1939; funded debt has been reduced more than 50% and earnings in 1945 of $9.82 on the common compared favorably with dividends of $5 per share.

Alta. Pacific Consol.

For many years I have held shares in Alberta Pacific Consolidated Oils, in the form of street certificates. Consequently I have received no official reports. Can you give me some information on the current situation?

Alberta Pacific Consolidated Oils has experienced a gradual decline in its income in recent years, net profit in 1944, the latest year reported, amounting to only $8,274. Working capital has increased, however, and amounted to $194,744 at Dec. 31, 1944. Bulk of revenue comes from 10 producing wells in the Cut Bank field, Montana, and one in the Red Coulee field in the same state. An interest has been taken in drilling other structures, but without important results. The company has acreage interests in at least 19 fields and may benefit through development carried on by others. There have been no dividends since 1936.

Harker Gold

Is there any chance of work being resumed at Harker Gold mines' property?

We understand that Harker Gold Mines anticipates resuming work in Lightning River as soon as the Ontario Government completes a new road into the property. Before 1930 a shaft was sunk to 1,000 ft. on the property comprising eight claims in Harker twp., Lightning River district of Ontario. Work was also carried on the 250, 375, 500 and 1,000-ft. levels. The company at last report also held 34,174 shares of Pickle Crow, 472,220 shares of Uchi Gold Mines, 183,333 shares of Jacola and 5,000 shares of Greenlee Mines.

Harker Gold Mines discontinued work when the price of gold was $20.67 an ounce and high power and transportation costs in an area as remote as Lightning River precluded profitable operation. Considerable interest has developed in the Lightning River area recently, with some of the larger mining operators carrying out diamond drilling programs on property owned outright or held under option.

Liteplane Air Service

Can you give me information concerning operations of Liteplane Air Service?

Liteplane Air Service Ltd. was incorporated under a Dominion charter in May, 1944. Authorized capital is 1,000,000 common shares, with par value $1. Shares are being offered to the public by some 26 salesmen, who, once the company is in operation, will be employed as pilots. All shares now being sold come from treasury stock and are being offered at par.

The company plans to operate all types of air service including scheduled flights, flying schools, chartered plane service, pleasure flying and freight carrying. Besides the air field at Sudbury, an official of the company states that 800 acres at Sault Ste. Marie, Ont., have been purchased and negotiations are under way for purchase of property at Montreal and Kitchener. An option has also been taken on property at Chapleau, Ont.

Besides servicing planes with gas, oil and repairs, the company plans to erect on each of its properties buildings for sleeping accommodation, meals and recreation. Officials state they have not yet been able to obtain enough planes to start operation.

So far it is reported that about 40,000 shares have been sold. Purchase of stock in a company which is not yet in operation can hardly be classed strictly as an investment.

For further information we would suggest that you communicate with Mr. F. A. Peacock, general manager, at 9 Richmond St. E., Toronto.

NEW APPOINTMENT

D. W. MORPHY, C.L.U.

The Empire Life Insurance Company, Head Office, Kingston, Ontario, announces the promotion of D. W. Morphy, C.L.U., to the position of Superintendent of Agencies. Mr. Morphy has been associated with the company for twelve years as Branch Manager and Agency Supervisor.

NEED HOSPITAL EQUIPMENT

WINNIPEG—Desperately needing hospital equipment, some of it for its new health service plan, Manitoba is trying to get from the Dominion equipment used in army and air training hospital centres during the war. The province has offered to buy three airfields, two at Dauphin, and one in the vicinity of Portage la Prairie, in order to get possession of the buildings and equipment.

Saskatchewan Said Planning Markets Body

From Our Own Correspondent

REGINA—A provincial distributing board which will market products of government industrial enterprises, is reported in prospect here.

Coincidentally, the Government has announced appointments to the new economic planning board, formed upon the arrival of George W. Cadbury, British industrial socialist planner, in Regina.

The Saskatchewan Commonwealth, CCF publication, points out that the CCF Government is now in business in a number of industries. "But the problem of distributing these goods to the consumer, in the most economical way, must still be solved," it says.

If such a board is formed, it would handle the products of the Estevan brick plant, the Moose Jaw woollen mill, the Regina shoe factory, the northern Saskatchewan fish filleting plants and possibly the lumber now being handled by the Saskatchewan timber board.

At present there is no uniform method of distribution, most distribution being handled by the businesses themselves. A special deal was made to market shoes through a private wholesale company.

Further expansion of government business appears assured. Natural Resources Minister J. L. Phelps, announced recently that the government planned to open three more fish filleting plants. (Three are now in operation).

Members of the new economic planning board, besides Cadbury who is full-time chairman, are: Treasurer C. Fines; Co-operation Minister L. McIntosh; Natural Resources Minister J. Phelps, Reconstruction Minister J. Sturdy, Thomas McLeod, secretary, and Dr. M. C. Schumiatcher, legal counsel. Cadbury has also been made chief industrial executive and co-ordinating officer. As such he has power to join in the management of government enterprises.

SASKATCHEWAN INSURANCE OFFICE—employees have been organized into a Canadian Congress of Labor union, known as the Saskatchewan Insurance Employees' Union. The office is the government's insurance-selling agency.

LEITCH GOLD MINES reports bullion production of $196,524 from 5,691 tons milled, an average recovery of $34.53 gold per ton in three months ended Dec. 31 ($154,875 from 4,497 tons, average $34.44, in previous three months).

C. L. ROGERS

has been appointed vice-president of Victory Mills, a division of Canadian Breweries, Ltd.

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BROADCAST DEBATES

REGINA — Saskatchewan's 10th legislature, which opened its third session here Feb. 14, is making history by broadcasting its major debates. These are carried over Regina radio station CKCK, on which broadcast time purchased is between 20 and 25 hrs. The Government pays regular radio time rates, and broadcasting arrangements are controlled by a legislative committee representing all parties.

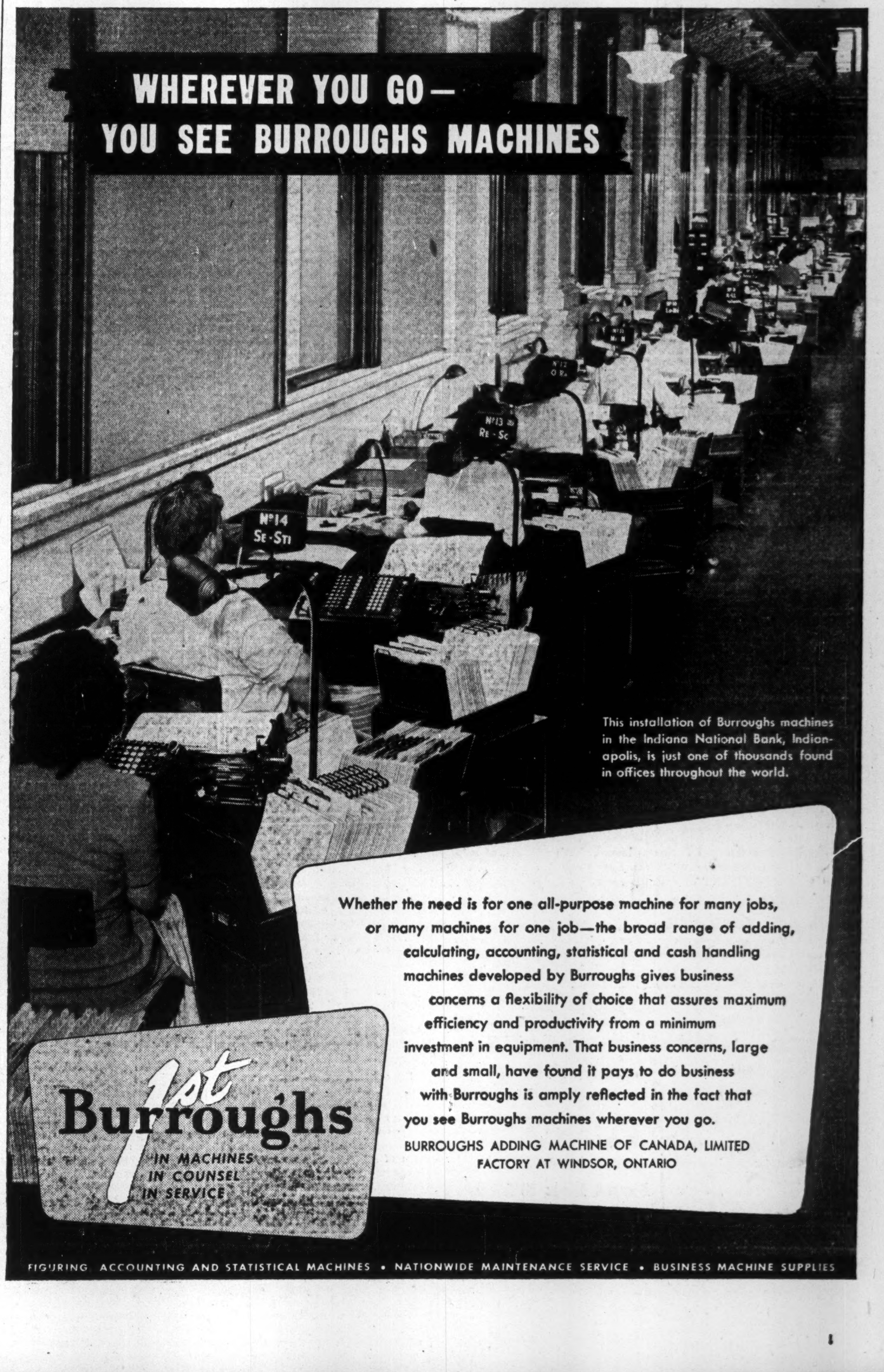
CANADIAN SURETY COMPANY APPOINTMENTS

Canadian Surety Company announces the election of Charles S. Band, centre, as Chairman of the Board, and John R. Read, left, and Hugh H. Lawson, right, as Directors of the Company.

Mr. Band, who has been a member of the Board for many years, is Vice-President of Gutta Percha & Rubber Limited, a Director of Toronto General Trusts Corporation, Manufacturers Life Insurance Company, and other well known Canadian companies.

Mr. Read is President of Canadian Westinghouse Company Limited and a Director of The Bank of Toronto, Toronto General Trusts Corporation.

Mr. Lawson is Vice-President of York Knitting Mills Limited, Chairman Primary Textiles Institute, President United Welfare Chest, Director of War Assets Corporation and 2nd Vice-President Toronto Board of Trade.



Saskatchewan Motor Accident Plan Said Compulsory Govt. Insurance

A drastic and far-reaching plan for providing financial protection for automobile accident victims is being considered by the Saskatchewan Government.

If adopted it will mean that for the first time in Canada, all automobile accident victims, (including victims of hit and run drivers), will receive financial aid, and also that, for the first time in Canada, a motorist must have insurance before he is permitted to drive. Insurance up to a stated minimum must be taken out with the Saskatchewan Government Insurance Office through an extra license fee. If further insurance is desired the motorist will be able to buy it from a company or from the SGIO. In some quarters the plan is described as compulsory government insurance.

The plan was recommended to the government by a committee headed by M. F. Allore, manager of the Saskatchewan Government Insurance Office. The government was expected to introduce legislation at the coming session to implement the report but over the week end considerable opposition developed from farmers operating their own trucks, on the ground of increased expense. In some quarters it is hinted the provisions of the act may be altered before a bill is drafted or even that the proposal may be dropped.

M. Stinson, CCF organizer for Lumsden constituency near Regina, voiced flat opposition to any compulsory form of insurance. He said, "The people in my district who have supported the CCF movement from the beginning are 100% opposed to any form of compulsory insurance and if the member for this district votes in favor of this scheme, he won't be elected again."

Procedure of Injured Party

If the plan is put into effect a Saskatchewan resident injured in an automobile accident (or his dependents) will report all details to the police and the government insurance office and the SGIO will follow up from there on. A victim not satisfied with the award, may sue the SGIO in court. If damages exceed the maximum payable under the government plan, the victim may, as in any other province, claim additional indemnity from the party at fault, who may protect his liability by purchasing liability insurance from an insurance company (or presumably from the SGIO). Any policy bought from a private insurer would come into effect only when damages exceeding $5,000 are sought. Such a policy appears similar to a public liability policy with a $5,000 deductible clause.

Cheaper Insurance Claimed

Sponsors of the government plan claim that any insurance additional to the minimum that must be taken out when the license is issued, would be obtainable at a greatly reduced premium because of "the reduced risk resulting from the scheme." In some quarters it is estimated the saving to the motorist from present rates would be about $1 or less.

Calculations are only approximate, but they indicate the saving will be negligible.

One feature of the government plan is that it doesn't provide property damage nor fire and theft insurance.

Another feature that may cause some criticism is that if a child under 16 is killed, no death benefit is provided, it being assumed that few if any such would have any dependents while the insurance act also restricts the amount of money payable on the death of a minor. It is presumed, however, that funeral benefits and benefits for injuries would be payable in all cases.

Scale of Benefits

Details of benefits payable follow.

Death benefits to the wife, when a man is killed by automobile accident would be $3,000.

Children of the accident victim, would receive benefits of $625 per person to a maximum of $2,000. Benefits paid wife and children would make a total maximum death benefit from any one death of $5,000.

In addition there would be a benefit of $125 payable in lieu of funeral expenses.

Where a person over 16 is killed, with no dependents, death benefit would be $1,000, payable to the estate. There are no death benefits for persons killed, who were under 16 years of age.

No limitation is placed on death benefits if more than one person is killed in a single accident. Thus if 10 persons are killed in one acciednt, beneficiaries of all killed would be eligible to receive benefits.

Weekly indemnity for loss of income resulting from total disability would be payable at maximum rate of $25 a week excluding the first seven days, up to total payments of $3,000.

Weekly indemnity for loss of income for partial disability would be payable at the maximum rate of $12.50 a week, excluding the first seven days, up to 52 weeks.

Dismemberment benefits would be payable in sums ranging from $2,000 for the loss of two hands or feet or both eyes, to $250 for the loss of one thumb.

Additional benefits to be paid under the plan would be lump sum payments for out-of-pocket expenses (such as hospital and medical expenses) in varying sums, depending on the type of injury up to $225 maximum.

Here's the Saskatchewan Scheme

Provision of maximum benefits of $5,000 for all Saskatchewan residents for personal injury in automobile accidents, benefits to be on a sliding scale, according to relationship of dependent relatives of injured party, extent of injury and out-of-pocket expenses.

Benefits to be payable without first obtaining a legal decision. Victims of hit-and-run drivers covered.

Benefits not payable to persons seriously breaking the vehicles act, or the criminal code, at time of accident, nor to automobile operators not insured under the plan or making fraudulent statements when applying for insurance.

Funds to pay benefits to be provided by charging automobile owners and drivers extra fees when license issued; vehicle fees to range from $5 on private passenger car to $400 for passenger public service vehicle with over 25 carrying capacity; drivers' fees to range from $1 for ordinary drivers to $10 for taxi drivers. All motor vehicles —passenger cars, trucks and motor cycles, included in plan.

Saskatchewan residents riding in Saskatchewan-registered cars outside the province, in Canada or the United States, to be eligible for accident benefits and also, if injured in Saskatchewan by foreign vehicles.

Persons receiving benefits under the plan are prohibited from bringing suit for damages against operators and owners except for an amount over and above benefits paid.

The SGIO may claim recovery of benefits paid, when party responsible for the accident is guilty of gross negligence or wilful misconduct or fails to remain at or return to scene of accident and from any foreign motorist not insured under the plan, who injures a Saskatchewan resident in the province.

The SGIO to have the right to have licenses of habitually bad drivers cancelled.

Motorists wanting more than $5,000 public liability and other types of insurance to be free to buy from private companies or the SGIO.

P.E.I. Raises Fund To Pay Unsatisfied Highway Awards

From Our Own Correspondent

CHARLOTTETOWN—When Prince Edward Island motorists pay their 1946 auto registration fee they will find it will cost $1 more than last year. As a result of some little-publicized 1945 legislation, an insurance fund is being created to reimburse a person for damages awarded by a court which he cannot collect, for bodily injury or death caused by a motor accident. Known as the "Unsatisfied Judgment Fund," it is intended to carry in reserve between $25,000 and $50,000, by suspending or reimposing the $1 annual payment as the fund is increased or depleted.

The procedure is for the injured person or his representatives to obtain a court judgment against the responsible party in the regular way. If the latter has not the financial resources to satisfy the judgment in full, and is not insured against public liability, the court may direct the Provincial Treasurer to reimburse the injured party from the fund.

The regulations provide that not more than $2,000 exclusive of costs shall be paid for one injury or death to one person in one accident, or a maximum of $4,000 for more than one person. If as a result of such accident the party liable has had his license suspended or cancelled, it shall not be renewed until the fund has been reimbursed with interest, and proof of further financial responsibility given. The plan is very similar to the unsatisfied judgment fund plan which came into effect in Manitoba on Dec. 1, 1945.

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GOLDVUE MINES, LTD., 3,000,000 shares, each $1 par value, have been admitted to trading on the Montreal Curb Market.

SOUTHERN CANADA POWER CO., LTD., reports January gross totalled $307,200 ($295,132 in January, 1945), and surplus after all deductions, including dividend payments, $5,401 against $2,805. Gross for the first four months of the fiscal year totalled $1,238,315 ($1,196,209 in like period, preceding year), and surplus after charges and dividends $27,775 against $10,869.

JOHNSON & HIGGINS (CANADA) LIMITED

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WHETHER your insurance problems concern fire, marine, aviation, workmen's compensation, automobile or general liability, burglary, fidelity, pension plans, group life *or any other form of business insurance*, the experienced facilities of Johnson & Higgins are at your disposal. We will plan and negotiate your entire business insurance program, acting as intermediary between you and the insurance companies, representing you at all times, with "*no axe to grind but yours.*" For information about our service as insurance buyers and advisers, call our nearest office.

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Life Insurance Role Reviewed

Employment Seen Prime Problem — Funds Now Available for Industry

Problem of Canada to provide employment for her people and the responsibility of the life insurance companies to use the funds in their trust to help develop the resources of the country were discussed by life insuurance company executives at their annual meetings recently. Extracts from their addresses follow:

L. L. LANG, president Mutual Life Assurance Co. of Canada.

Canada need have no material difficulties if her people are occupied in work which will enable them to support their families. How can this desirable objective be reached? There is no easy or complete solution. The size of the unemployed or unemployable minority is the core of the problem. The goal of effort is to expand the majority and decrease the minority until nearly everyone is employed in some gainful way.

In considering employment, the responsibilities and opportunities of private citizens and of governments should be studied and, so far as possible, defined.

* * *

FORD S. KUMPF, president Dominion Life Assurance Co.

Life insurance companies will be called upon in the future, even more so than in the past, to use the trustee funds in their custody to help develop the natural resources of Canada and the other countries in which they operate. This responsibility entails a selective program which combines maximum safety with true appreciation of the best channels for investments.

* * *

C. P. FELL, president Empire Life Insurance Co.

Policyholders' funds have been invested to the extent of $1.5 billions in the several War and Victory Loans. Such a large sum could be realized only by continuous emphasis on savings through life insurance and this effort was instrumental in bringing about an increase of 50% in the volume of life insurance in force . . . The benefit payments which will eventually derive from this business will have an important effect in stabilizing the national economy in the period ahead.

* * *

ARTHUR B. WOOD, president and managing director Sun Life Assurance Co. of Canada.

Now that the war is over, we may expect that new avenues of investment will gradually become available, and the life assurance companies will then be able to resume their very important peacetime function of supplying funds to meet the investment needs of industry and commerce. As the main source of funds for long-term investment their resources are now available for the making of mortgage loans, the purchase of securities of . . . corporations, for the financing of public works and so forth.

National Security Insurance Company

Notice is hereby given that the National Security Insurance Company having ceased to carry on business in Canada has reinsured its liabilities in Canada, in the Philadelphia Fire and Marine Insurance Company which is registered under the Foreign Insurance Companies Act, 1932, as amended, to transact business in Canada, and will apply to the Minister of Finance for the release on the 30th day of March, 1946, of the securities on deposit with the Minister of Finance; and that any Canadian policyholder opposing such release should file his opposition thereto with the Minister of Finance, Ottawa, on or before the 30th day of March, 1946.

Dated at Toronto, Ontario, this 21st day of December, 1946.

H. C. MILLS,
Chief Agent for Canada.

FIDELITY Insurance Company of Canada TORONTO

"Consult your Agent or Broker as you would your Doctor or Lawyer."

United States Fidelity & Guaranty Company TORONTO

HOME ASSURANCE COMPANY OF CANADA
Head Office: Lancaster Bldg., Calgary.
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FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE

It happened on a train— It could happen to YOU!

Thief Steals Watch!

Was the train on time? The passenger glanced at his wrist—and quickly scrambled to his feet. His watch was gone! He remembered removing it only five minutes before to wash his hands. But back in the washroom, the bare metal of the washstand reflected the growing surprise in his eyes. The watch was really gone!

• • •

This story is British Northwestern Fire Insurance Company Claim O-521. *But not the whole story!* The man's joy when he realized his British Northwestern Personal Property Floater Policy reimbursed him for *all* losses of personal effects incurred at home or away from home . . . his pleasure at the Company's prompt settlement — that's another story. One that many know who have *all* their fire and casualty insurance underwritten by this unquestionably strong Canadian company.

Enjoy this *Complete* Protection *Today . . . NOW . . . ask your British Northwestern agent about the broad coverage a Personal Property Floater Policy gives you.*

British Northwestern Fire Insurance Company

HEAD OFFICE — TORONTO, ONTARIO

If History Repeats . . . Will Your Losses Jump?

Chart reproduced from "CREDIT LOSS CONTROL . . . a Must for Profit." Write for this timely book.

Credit Losses Jumped after World War I. In three years, the number of Canadian commercial and industrial failures mounted to 389% of the 1919 total. Current liabilities involved jumped 380%. In the United States, current liabilities climbed even faster . . . to 553.7% of the 1919 total in just two years.

Will History Repeat? No one knows. That's why manufacturers and wholesalers in over 150 lines of business carry Credit Insurance . . . which GUARANTEES PAYMENT of accounts receivable for goods shipped . . . *pays you when your customers can't.*

"Credit Loss Control" . . . a new, timely book for executives . . . may mean the difference between profit and loss for your business in the months and years of uncertainty that lie ahead. For a free copy address: American Credit Indemnity Company of New York, Dept. 52, Baltimore 2, Maryland, or one of the Canadian offices listed below.

J. F. McFadden
PRESIDENT

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American Credit Insurance

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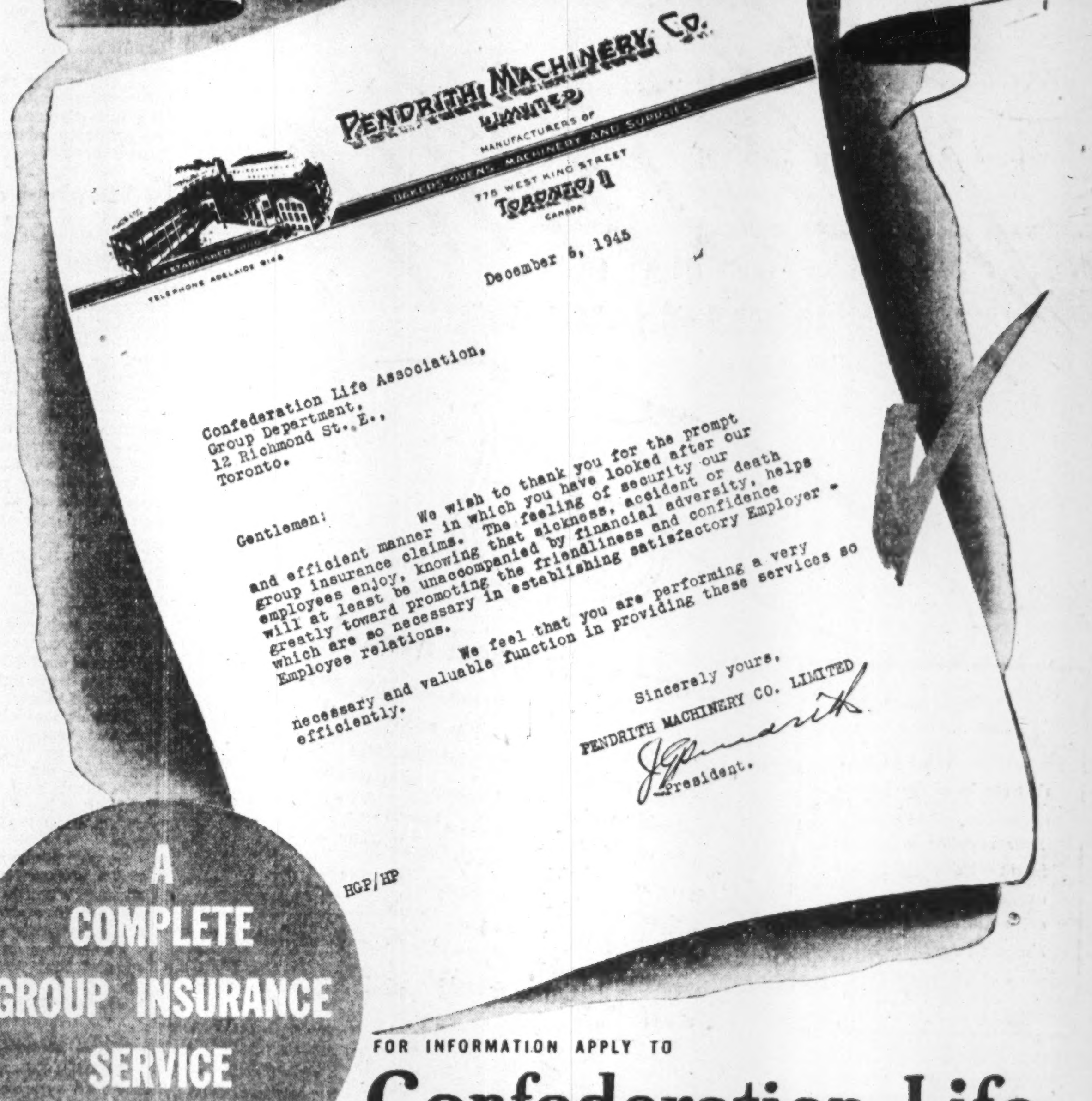
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775 WEST KING STREET TORONTO 2

December 6, 1945

Confederation Life Association,
Group Department,
12 Richmond St., E.,
Toronto.

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We wish to thank you for the prompt and efficient manner in which you have looked after our group insurance claims. The feeling of security our employees enjoy, knowing that sickness, accident or death will at least be unaccompanied by financial adversity, helps greatly toward promoting the friendliness and confidence which are so necessary in establishing satisfactory Employer - Employee relations.

We feel that you are performing a very necessary and valuable function in providing these services so efficiently.

Sincerely yours,
PENDRITH MACHINERY CO. LIMITED
J. G. Pendrith
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FOR INFORMATION APPLY TO

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Our farmers did a most worthy job in providing food for our fighting forces. Now farmers are providing food to rehabilitate the civilian population of Europe and Asia.

As millions of foreign workers are put back on their own economic feet, they will regain purchasing power with which to buy Canadian foodstuffs, other products and manufactured goods.

The Searle Grain Company is proud to be numbered among those who are helping in the worthy work of processing and moving foodstuffs from our farmers to the hungry people in other countries.

The eventual sales abroad of our prairie grains, as well as other products and even of our manufactured goods would be greatly accelerated if the Government would substantially lower tariffs, removing obstructions which now hinder other peoples' goods coming into Canada, which thus deprive these people of the purchasing power to buy our Canadian products.

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Calgary Fort William New Westminster

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LIMITED
Grain Merchants, Shippers and Exporters
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COMPANY LIMITED
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Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

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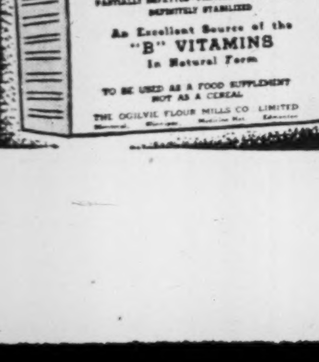

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45-37

Paying By Note May Speed Up Grain Delivery

From Our Own Correspondent

WINNIPEG—Wheat receipts at country elevators are down to a mere trickle. Farmers have not been responding to appeals from the Wheat Board for more rapid deliveries to meet the urgent overseas demand for increased shipments. While most of last year's crop is off the farm there are believed to be about 50 million bushels which farmers might deliver; and there is a good deal of concern as to whether or not they will dispose of most of this in the near future.

Cold weather has made farmers reluctant to haul grain, and over large areas, blocked or bad roads have prevented such operations. Many farm granaries are inaccessible on account of heavy snow. Some farmers will delay hauling until after seeding, and until they feel that prospects for the new crop are reasonably good. Later there will be a tendency to clear farm granaries to make space for new crop grain if it looks as if elevator space may be congested during the threshing period, preventing immediate hauling from the threshing machine.

When everything else is accounted for, there are some millions of bushels of wheat on farms, of which farmers are in no hurry to dispose. Many are prepared to hold wheat in the expectation that the present scarcity will bring about higher prices. Others are holding back wheat for income tax reasons. And many have come to look on farm-stored stocks as the best type of crop insurance available to them.

It is recognized that humanitarian appeals based on the needs of wheat overseas will not succeed in speeding deliveries if large expense to a farmer is involved. Some farmers held 20,000 bushels or more from delivery in 1945 because otherwise more than half the proceeds would have gone to the tax collector. They still want to delay cashing them in, partly in expectation of reduced taxation.

The greatest number of large holdings is probably to be found in southern Alberta, but some are also to be found in other areas. Expropriation of farm-stored stocks is considered impracticable. The income tax difficulty could be overcome. One suggestion, for example, is that farmers able to ship a carlot of wheat to lakehead terminals be allowed to do so and, if desired, take settlement, not by cheque, but by a promissory note from the Wheat Board, payable on demand, say, at any time after three months. Such a note need not be included in income tax returns until it is actually collected.

Such a plan might bring out some millions of bushels extra before the end of July next. But, once adopted in an emergency, it might be hard to get rid of later, and might bring demands for adjustment from farmers who had not shared in its initial benefits.

Reports from the United States indicate that much more grain is being held back there on account of income tax than in Canada. In the long run, agricultural production probably will be greater if the situation is left alone and farmers remain free to conduct their operations as they see fit. Action now might tend to slow up deliveries after the new crop is harvested in the hope of some later benefits. But, at the risk of later disadvantages and complaints, and perhaps at some peril to the whole income tax structure, undoubtedly more wheat could be brought forward within the next few months by some such plan.

R. R. SPENCER

has been appointed Assistant Manager of Canadian Sullivan Machinery Co.

Bacon or Beer Is Choice Facing Feed Authorities

Can't Supply Barley To U. S. Maltsters If Hog Production To Be Boosted — Coarse Grain Exports Halted in Emergency

From Our Own Correspondent

WINNIPEG—Important changes have been made in regulations for handling coarse grains, largely based on the desire to get more wheat into export channels, and to provide maximum quantities of other grains for feeding in Canada.

All quota restrictions on delivery of oats by farmers have been lifted, in the hope of speeding up receipts at country elevators. All exports of oats and barley, whether to the United States or overseas have been embargoed and no more export permits will be issued during the current crop year.

The feeds administrator announces that all oats and barley, except damp and rejected grades, will be bought on government account on arrival at lakehead terminals, with ceiling price paid for all grades, including toughs. All barley must be offered to the Canadian trade at ceiling prices. This includes some millions of bushels accumulated in special bins in lakehead terminals by firms contemplating export to maltsters in the United States, whenever it might again be possible to get export permits.

May Have Oats Glut

These measures give rise to several questions. The first is whether eastern Canada farmers will want all the feed grain thus being provided. So far as barley is concerned, the answer is probably yes. At ceiling prices barley is regarded as a better bargain than oats, the tendency is always to demand barley ahead of oats for hogs. There is a good deal of doubt among grain men as to the eastern demand's absorbing all the oats. If, however, the feeds administrator finds that his year-end carryover of oats is likely to be unduly large, he can either resell for export, or relax export restrictions.

There is a legal point to be settled in respect to the orders respecting barley. The Government under existing legislation can both prevent exports and impound existing supplies. It can prevent a seller from asking more than the ceiling price. But can it force a sale to a third party at the ceiling price? And if it expropriates grain does the ceiling price necessarily apply, or does not a claim arise for compensation? Such questions are a matter of concern to interests which for months have been carrying charges on grain for which they paid ceiling prices, undertaking such expense because they had specific uses in mind for the grain when they might be able to get it across the border.

Canadian elevator companies or dealers are not likely to protest; but American interests, it is believed, may stick up for their legal rights, and challenge orders which, denying them compensation, may be held to exceed the scope of the War Measures Act or the Emergency Powers Act.

Goodwill at Stake

The question of goodwill south of the border also arises. All the oats which might be exported to the United States are unimportant in the total supply of feed grains there. Canadian barley, however, is an important requirement of maltsters there. Refusal to ship barley south impairs the opportunity to build up a permanent trade which might later be of great value to western farmers.

It is more important to provide bacon for Britain than beer for the United States, but to make the choice means a good deal of expense.

The quantity of oats yet to be marketed in the West cannot now be estimated. A large percentage of farmers will wait until they have some idea of probable results of the new crop before deciding how much they can afford to reduce their reserves of feed.

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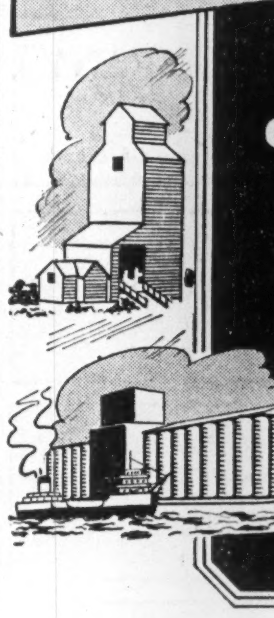
Grain Merchants Shippers and Exporters
HEAD OFFICE WINNIPEG, MANITOBA
OFFICES THROUGHOUT CANADA

COMPANY REPORTS

COSMOS IMPERIAL MILLS LTD. net profit for the year ending Dec. 31, 1945, showed an increase of approximately 5% over the previous year although net earnings were down 22.4%. Increase in net profit was affected chiefly through reduction in depreciation on machinery and buildings from $185,679 in 1944 to $52,300 this year. President W. S. Burrill states that full depreciation of machinery and equipment installed up to and including 1939 has been taken. The company is still under subsidy with the Commodity Prices Stabilization Corp. Pending over-all renegotiation with Dept. of Munitions & Supply for contracts completed during 1945, provision has been made in the balance sheet in an amount which is deemed sufficient to cover the necessary adjustment.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$418,444	$539,148
Less: Depreciation	52,300	185,679
Tax reserve‡	179,500	179,000
Pension fund	7,000	7,200
Cont. res.	25,000	20,000
Net profit	154,644	147,269
Less: Common divd.	135,000	135,000
Surplus for year	19,644	12,269
‡Inc. refund. EPT	7,731	2,784
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.55	$1.47
Incl. ref. EPT	1.62	1.50
Paid	1.20+0.15	1.20+0.15

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$871,913	$929,314
Accts. rec.	360,812	370,752
Life ins., c.s.v.	......	55,825
Inventories	197,669	546,616
Total curr. assets	1,930,394	1,902,507
Misc. assets▲	65,793	52,166
Fixed assets	2,888,670	2,859,351
Total assets	4,884,857	4,814,024
Total curr. liab.	142,106	154,015
Funded debt	190,000	228,000
Depreciation res.	1,756,991	1,722,364
Contingent res.	146,592	87,852
Capital stock	1,684,883	1,684,883
Surplus▲	964,285	936,910
▲Incl. refund. EPT	39,352	31,621
Working capital	1,788,288	1,748,402

GUELPH & ONTARIO INVESTMENT & SAVINGS SOCIETY had profits amounting to $88,552 for 1945 ($90,472 for 1944). Real estate held for sale has been reduced by more than $29,000, and investments in Dominion and provincial bonds increased by $579,842. Deposits increased over $287,000 and, at $1,929,251, are highest in the Society's history. Readily realizable assets are said to be equal to more than 112% of amount on deposit.

	1945	1944
Liab. to public, etc.*	$4,553,933	$4,265,458
Shareholders' equity	1,515,834	1,515,657
*Secured by:		
Mtges. & sls. agree.	3,521,300	3,561,895
Office premises	25,963	28,079
Realty for sale	55,183	85,139
Other assets†	2,467,321	2,106,002
Total	6,069,767	5,781,115
†Includes bonds and stocks.		
Earned per Share‡	$4.06	$3.55
Paid	2.50	2.50
‡After taxes paid and res.		

MAPLE LEAF GARDENS retained net profit for the year ended Oct. 31, 1945, was up approximately 2.8%. President E. W. Bickle states that increase is due principally to the fact that the Maple Leaf hockey team participated in the maximum number of games in the 1944-45 season. Retirement of the mortgage was completed last year and available funds were used to purchase 9,565 shares of preference stock on the market. Out of 80,000 issued preferred shares, 69,653 were outstanding at Oct. 31, 1945.

INCOME ACCOUNT

Years Ended Oct. 31:	1945	1944
Net income	$315,763	$260,227
Less: Mtge. int.	......	1,002
Depreciation	50,795	47,598
Tax provision‡	174,185	123,375
Net profit	90,783	88,252
Less: Pfd. divd.	49,867	55,453
Surplus for year	40,916	32,799
‡Incl. refund. EPT	21,271	11,119
Earnings per Share and Dividend Record:		
Pf.: Excl. ref. EPT	$1.30	$1.11
Incl. ref. EPT	1.61	1.25
Paid	0.70	0.70
Com.: Excl. ref. EPT	1.11	0.89
Incl. ref. EPT	1.69	1.19
None paid.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1945	1944
Cash & Dom. bds.	$282,016	$233,885
Accts. rec.	14,470	5,918
Ins. cash val.	65,964	60,130
Total curr. assets	362,450	299,933
Misc. assets▲	75,952	48,595
Fixed assets*	902,763	946,127
Franch. & contr.	100,000	100,000
Total assets	1,441,165	1,394,655
Accts. pay.	45,939	38,237
Tax reserve	113,132	55,817
Total curr. liab.	159,071	94,054
Prepaid subs.	151,569	121,102
Reserves	25,053	26,692
Capital stock	733,309	828,959
Surplus▲	372,163	323,848
*After depr. of	729,847	679,052
▲Incl. refund. EPT	51,871	30,600
Working capital	203,379	205,879

THE MONTREAL TRUST CO. for 1945 shows net profit of $389,719 ($370,839 in 1944) and earnings per share of $4.87 ($4.64 in 1944). Estates under administration increased by $16 millions while total assets of $958 millions were up $19 millions from 1944.

	1945	1944
Liab. to public, etc.*	$24,258,206	$20,894,098
Shareholders' equity	6,514,047	5,880,328
*Secured by:		
Mortgages	387,708	363,252
Office premises	140,000	150,000
Liquid assets‡	30,244,545	26,261,174
Total	30,772,253	26,774,426
‡Includes bonds and stocks.		
Estates account	926,827,313	912,534,213
Earnings per share	$4.87	$4.64
Paid	3.20	3.20

DAVIS LEATHER CO. for the year ended Dec. 15, 1945, showed common stock earnings, including unstated EPT, of $4.33 ($2.71 in 1944) on Class A and $1.81 ($0.77 in 1944) on Class B stock. This increase was largely due ($1.51 in respect of Class A, $0.96 in respect of Class B) to the $150,692 net profit from the sale of securities. Operations were handicapped by reduced supplies of raw calfskins allocated to Canada from New Zealand by the Combined Raw Materials Board. A larger quota is expected, President Aubrey Davis states, in 1946.

INCOME ACCOUNT

Periods Ended:	Dec. 31 1945	Dec. 15 1944
Net earnings	$593,407	$481,414
Less: Deprec.	8,119	8,390
Inc. tax res.‡	152,000	202,000
Net profit	433,288	271,024
Less: Cl. A divds.	139,217	†171,246
Cl. B divds.	89,154	
Surplus for year	204,917	99,778
‡Incl. unstated amount ref. EPT.		
Earnings per Share:*		
Class A	•$4.33	$2.71
Class B	•1.81	0.77
Paid		
Class A	1.50	†6.00
Class B	0.55	

*Based on present outstanding capitalization.
•Earnings include profit from sale of securities of $1.51 on class A and $0.96 on class B.
†Old stock.

CONDENSED BALANCE SHEET

As at:	Dec. 31 1945	Dec. 15 1944
Cash & Dom. bds.	$951,121	$227,780
Accts. & bills rec.*	331,372	352,863
Investments■	1,645,508	†2,310,246
Inventories	820,841	721,340
Total curr. assets	3,748,842	3,612,229
Misc. assets‡	20,222	20,753
Fixed assets▲	275,684	282,803
Total assets	4,044,748	3,915,785
Bk. loan & overdraft	104,997	92,279
Accts. & tax. pay.	212,720	286,331
Other curr. liabs.	29,231	44,292
Total curr. liabs.	346,948	422,902
Invest. res.	150,000	......
Capital stock	2,785,185	2,785,185
Earned surplus‡	762,615	707,698
*After res. of	50,000	50,000
‡Incl. ref. EPT	7,256	7,256
▲After depr. res. of	104,370	96,252
■Market value	1,903,000	2,344,482
†Includes Dom. bds.		
Working capital	3,401,894	3,189,327

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BULK or SACKED
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Grain Merchants, Shippers and Exporters
Also Manufacturers of
MASTER Feeds, Linseed and Soy Oils and Meals
484

DOMINION LIFE ANNOUNCES APPOINTMENTS

F. L. WHITAKER

GEO. F. C. PANGMAN

A. A. MAVOR

The Dominion Life Assurance Company has announced the appointment of Mr. George F. C. Pangman as Treasurer of the Company and Mr. A. A. Mavor as Assistant Treasurer.

Mr. Pangman succeeds Mr. F. L. Whitaker who has resigned and will shortly retire to his home in England. The resignation of Mr. Whitaker was received with regret by the Directors and Officers of the Company. He has served the Company in an exemplary manner for a period of twenty-two years during which time remarkable financial progress was recorded.

The new treasurer has been associated with the Company since 1940. Previous to this association he was engaged in the investment business for a period of fourteen years.

Mr. A. A. Mavor, who was appointed Assistant Treasurer, has been with the Company for over fifteen years.

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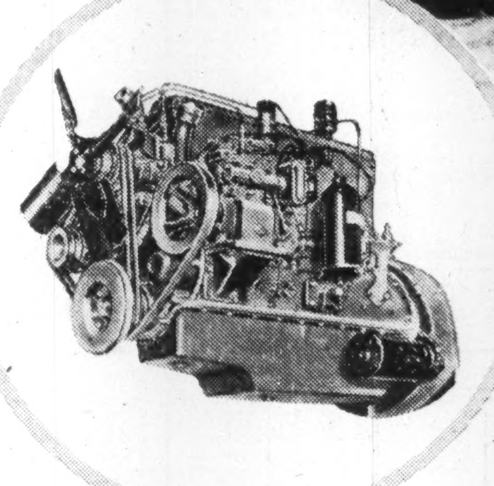

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THE WASHINGTON LETTER

U. S. Sees 20% Pay Boost Possible Without Danger of Price Inflation

Special Correspondence

WASHINGTON — Two developments in Washington last week initiated a new tack for the Truman Administration. **The more spectacular was the explosive departure of Secretary of the Interior Harold L. Ickes after 13 years of service, longest in the history of the office. The more important was settlement of the four-weeks-old steel strike, and announcement of a new wage-price policy as a weapon against inflation.**

"Last August," President Truman stated, ". . . . wages (were) returned to free collective bargaining within the framework of the present price level . . . under this policy many thousands of wage adjustments have been made by mutual agreement without affecting prices.

"Nonetheless, collective bargaining has broken down in many important situations. . . I am modifying our wage-price policy to permit wage increases . . . I call upon both management and labor to proceed with production . . . the basis of high wages and profits and high standards of living for us all."

The announcement marked a change in personnel assignments as marked as the change in policy. Chester Bowles, Price Administrator, was named director of the re-established Office of Economic Management and Paul A. Porter, chairman of the Federal Communications Commission, was appointed to succeed him. John W. Snyder remained as chief of the Office of War Mobilization and Reconversion, but a considerable share of his power is expected to pass to Mr. Bowles.

* * *

Bowles and Snyder Not in Agreement

It is an open secret here that Bowles and Snyder have differed widely on policy. The former, as OPA chief, has held that price ceilings must be maintained, that wage increases can be absorbed within existing price levels, and that any substantial price increases would be dangerously inflationary. Snyder's view has been that industry will not produce at a loss, that price increases are essential if wages are to be increased, and that some price increase would not be dangerous, because sufficient increases in production would soon make price controls unnecessary.

Bowles, as Stabilization Administrator, will still remain within the Office of War Mobilization and Reconversion headed by Snyder. Bowles has expressed satisfaction with the new policy, which is considered here a victory for him. He will have power to set the pattern of wage increases, as a result of which industry may apply for any price increases necessary for it to earn a profit equal to its return during its peacetime base period, ordinarily 1936-1939. OPA officials state that most industries are now earning more than during this period, and will therefore be able to grant higher pay without dangerously inflationary price increases.

The new policy specifically directs the Wage Stabilization Board to approve wage and salary increases consistent with the general increase in salaries since the middle of August, 1945, which in general is between 15 and 20%.

Within 24 hours of announcement of the wage-price policy, the U. S. Steel strike was settled at an increase of 18½ cents an hour, the amount recommended by President Truman before it was called. Reliable sources say the increase in steel price will be $5 a ton.

* * *

"Free to Talk" And Ickes Will

Secretary Ickes' retirement was the direct result of the recommended appointment by the President as Under-secretary of the Navy of Edwin W. Pauley, a wealthy oil man, reported in The Financial Post Feb. 2.

Mr. Ickes, who as Public Works Administrator in the early days of President Roosevelt's Administration earned the sobriquet "Honest Harold" and who named his story of his life, "Autobiography of a Curmudgeon," had the reputation of being at once one of the most irascible and most colorful political figures of our time. His gift for epithet (he characterized Wendell Wilkie as a "simple, barefoot Wall Street lawyer;" Thomas E. Dewey as "a chocolate soldier") and love of uproar were famous. Both characteristics were evident in the manner of his leaving.

At the end of last month President Truman, despite storm warnings, sent Pauley's nomination to the Senate. Ickes told the Senate Naval Affairs Committee that Pauley, when treasurer of the Democratic National Committee, had in a conversation with him, linked the possibility of campaign contributions from California oil men with assurance that the federal government would not claim title to offshore California oil properties. "Mr. Ickes is mistaken," Pauley retorted. A few days later Ickes put in the record confirmatory extracts from his diary. One stated, "This is the rawest proposition . . . ever . . . made to me. I don't intend to smear my record with oil."

A few days later President Truman said he would not withdraw Pauley's nomination. He said that Ickes "could be mistaken, as well as anyone else."

Ickes thereupon resigned in a long, sharp letter to the President. He promised that he would have further evidence this week "when I shall be free to say what I please when I please."

At the end of the week President Truman reaffirmed his faith in Pauley, and stated that the latter had been selected for the position by the late President Roosevelt. Some Republicans demanded that Attorney General Tom Clark investigate whether one of the two men had committed perjury. Republicans generally were jubilant at what they considered unexpected ammunition for next autumn's campaign, in which they will try to win control of Congress.

* * *

Wallace is Last Roosevelt Survivor

Ickes' resignation left Secretary of Commerce Henry A. Wallace, Vice-President during President Roosevelt's third term, as the sole remaining Roosevelt Cabinet member still in President Truman's Cabinet.

When Averill Harriman, Ambassador to the Soviet Union for over five years, resigned, President Truman named Lieut.-Gen. Walter Bedell Smith, chief-of-staff to Gen. Eisenhower throughout the war, for the post. Special legislation will permit Smith to retain his military rank. Previously the President had appointed Gen. George C. Marshall Ambassador to China, and Admiral Alan Kirk as Ambassador to Brussels.

Winston Churchill made a literally flying visit to Washington, when he was a guest of Lord Halifax at the British Embassy. He is understood to have discussed with President Truman a speech to be made at Westminster College in Fulton, Missouri, Truman's home state.

The wage-hours law, which would set a wage floor of 65 cents an hour for a 40-hour week ($26 a week) at once and 75 cents an hour ($30 a week) in four years, was reported favorably by the Senate Education and Labor Committee. A fight is predicted, with strong opposition from Southern Senators.

R. ROSS PATTERSON

has been elected president of Kerr Brothers, Ltd., candy manufacturers, with which firm he has been connected since 1929.

LOWER HYDRO RATES for Saskatchewan are forecast in the annual report of Hal F. Berry, provincial power commissioner. Rates were cut last May. The first report since acquisition of the Dominion Electric Power Co., and the Prairie Power Co., by the commission, showed net profit of $156,835 for 1945. ($32,477 for 1944).

Franchise Up? Fares Rise Too Vancouver Told

VANCOUVER (Staff) — Public transportation utilities in British Columbia, free from labor disputes and operating normally, have become the subject of behind-the-scenes disputes.

In Vancouver, proposed expansion of the B. C. Electric Railway Co. system led city council to suggest a higher rate for the franchise. The company contended that might involve increased fares. The problem has been turned over to W. C. Gilman, public utilities expert from New York.

In Victoria, three operators hold franchises to run municipal transportation services. B. C. Electric and Vancouver Island Coach Lines Ltd., seeking joint operation of a unified system, offered to purchase the Blue Line Transit. The latter countered with an offer to buy out its two rivals, and also proposed that all three offer joint service, with transfer exchange privileges. The other two declined. Victoria may retain a utilities expert to look into the muddle.

Blue Line Transit is also studying operation of gasoline buses in Vancouver, New Westminster, Burnaby and North Vancouver. Observers feel the Vancouver field is "sewed up" by the B. C. Electric. The latter also holds the New Westminster franchise, good until 1949.

The CPR has applied for eight public freight motor vehicle licenses, to operate over various routes in interior B. C. This move, to be considered by the Public Utilities Commission on March 15, will be opposed by the province's two highway truckers' associations, augmented by various local truckers and municipal groups.

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Position of Chartered Banks of Canada as of December 31, 1945, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other Banks in Canada
	$	$	$	$	$	$	$	$	$
Montreal	6,396,569	286,727,413	23,786,877	...	526,194,590	679,397,740	8,964,688	172,512,900	2,561,004
Nova Scotia	2,387,392	69,643,458	725,950	...	140,696,202	242,077,500	1,514,763	106,477,121	4,493,650
Toronto	857,153	50,673,341	2,161,205	...	94,790,839	169,801,664	796,015	...	249,322
Provincial	569,215	11,803,573	105,288	...	24,455,435	87,485,137	47,182	...	1,966
Commerce	5,399,506	151,704,603	21,026,001	...	414,969,986	544,979,839	5,061,401	100,423,810	1,708,473
Royal	6,883,980	212,543,448	22,404,533	...	554,725,792	618,073,327	24,909,427	370,446,664	9,817
Dominion	954,701	42,435,844	1,446,082	...	107,877,935	142,672,246	191,889	10,504,612	4,292,353
Nationale	967,777	43,488,842	1,416,036	...	73,599,568	204,912,556	756,306	...	3,248,059
Imperial	1,139,992	48,132,559	17,990,411	...	119,322,993	168,487,150	2,975,694	...	2,468,870
Barclays	156,220	4,936,586	35,684	...	6,287,457	7,441,711	6,599,823	...	81,805
Total	25,712,505	922,089,667	91,098,067	...	2,062,920,797	2,865,328,870	51,817,188	760,365,107	19,115,319

NAME OF BANK	Due to banks in U.K.	Due to Banks Elsewhere	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$
Montreal	13,940,230	22,149,618	16,748,946	410,871	21,940	39,000,000	36,000,000	1,834,813,391
Nova Scotia	1,185,985	4,700,700	30,142,753	1,380,894	305,105	24,000,000	12,000,000	641,731,479
Toronto	1,863,849	1,553,760	2,146,943	...	5,156	12,000,000	6,000,000	342,899,254
Provincial	...	79,023	162,245	8,191	8,507	1,000,000	4,000,000	129,725,767
Commerce	6,785,913	15,916,096	27,076,181	...	471,111	20,000,000	30,000,000	1,345,522,925
Royal	4,269,303	25,344,829	50,187,625	1,311,949	71,378	20,000,000	35,000,000	1,946,182,079
Dominion	2,831,819	1,275,165	8,721,977	96,532	141,397	7,000,000	7,000,000	337,442,558
Nationale	62,325	1,158,772	774,131	71,005	9,610	5,000,000	7,000,000	342,464,991
Imperial	1,228,704	2,456,766	3,407,632	...	176,202	8,000,000	7,000,000	382,786,977
Barclays	3,107,877	895,660	1,319,809	11,358	...	750,000	1,500,000	33,123,994
Total	35,276,005	75,530,389	140,688,242	3,290,800	1,210,406	136,750,000	145,500,000	7,336,803,415

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorised	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in Circ.	Bills rediscounted with Bank of Canada
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	6	854,449	6,483,724	...
Nova Scotia	15,000,000	12,000,000	10	1,609,050	2,431,645	...
Toronto	10,000,000	6,000,000	10	484,590	866,718	...
Provincial	5,000,000	4,000,000	5	34,500	580,710	...
Commerce	50,000,000	30,000,000	6	1,029,676	5,476,268	...
Royal	50,000,000	35,000,000	6	1,003,418	7,006,120	...
Dominion	10,000,000	7,000,000	8	1,083,834	970,116	...
Nationale	10,000,000	7,000,000	6	99,055	987,092	...
Imperial	10,000,000	7,000,000	10	507,159	1,153,652	...
Barclays	1,500,000	1,500,000	...	7,695	160,500	...
Total	211,500,000	145,500,000	...	6,713,426	26,116,545	...

†And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes and Cheques on Other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.
	$	$	$	$	$	$	$	$	$	$
Montreal*	2,450,173	18,091	39,286,079	152,889,547	73,880,863	1,018,682	200	4,608,573	53,382,960	348,823,601
Nova Scotia	748,233	877,804	14,550,916	34,081,092	21,873,935	24,650,405	...	2,043,109	15,166,686	85,032,768
Toronto	540,732	...	7,942,166	28,440,700	11,252,114	196,674	...	806,374	4,279,578	62,181,790
Provincial	470,368	...	3,858,854	7,109,768	5,068,542	83,207	2,865	5,309	1,358,839	28,152,093
Commerce†	1,709,277	143,663	29,545,798	101,988,864	40,452,613	2,089,679	3,812	5,610,354	27,738,164	222,607,942
Royal	2,147,618	1,566,733	39,235,007	107,497,342	85,183,836	67,790,427	3,112	14,356,501	65,857,716	310,673,673
Dominion	542,124	399	5,817,037	29,585,367	12,788,774	241,547	24	588,390	5,477,979	56,136,958
Nationale	1,025,920	...	12,295,456	22,085,093	11,883,829	209,758	1,386,548	66,320	2,143,691	74,498,248
Imperial	592,654	...	10,132,241	35,427,111	17,464,693	345,671	732,651	576,055	7,240,572	96,422,525
Barclays	7,337	...	194,101	2,102,209	525,543	2,212	157,022	1,299,977	4,211,960	4,476,790
Total	10,234,436	2,607,690	162,857,655	521,207,093	280,374,742	96,628,262	2,286,234	29,960,962	186,858,145	1,289,006,388

NAME OF BANK	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities	Public Securities other than Canadian	■Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada
	$	$	$	$	$	$	$	$	$
Montreal*	504,821,118	41,038,624	67,625,480	21,558,776	60,292,794	31,981,476	40,893,459	62,040,331	267,165,605
Nova Scotia	132,771,584	10,552,361	13,466,021	8,485,556	29,564,681	13,242,893	45,722,772	6,853,886	124,579,275
Toronto	117,571,899	2,601,941	14,868,205	4,475,728	...	6,978,956	12,948,879	...	61,043,765
Provincial	26,875,616	4,494,799	11,925,968	9,640,095	...	2,015,155	8,432,823	...	17,368,496
Commerce†	420,066,134	19,823,072	20,295,114	8,114,792	46,708,525	21,375,539	27,350,567	20,102,673	251,304,879
Royal	491,715,510	34,945,786	32,069,361	17,236,458	98,656,786	34,021,640	88,531,257	25,421,264	263,687,591
Dominion	114,258,172	1,291,000	1,872,923	3,256,799	3,055,950	2,241,562	4,052,435	6,069,500	77,115,979
Nationale	89,880,908	6,458,862	19,803,355	12,099,283	554,848	4,358,114	8,418,861	...	64,648,764
Imperial	74,066,611	4,571,967	5,862,550	6,183,840	...	2,450,420	14,513,996	...	97,205,879
Barclays	10,801,711	576,979	643,266	...	2,816,379	...	300,900	...	2,944,834
Total	1,982,829,263	126,355,391	188,432,243	91,051,327	241,649,963	118,765,755	251,165,949	120,487,654	1,227,065,067

NAME OF BANK	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	‡Real estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	▲Total assets
	$	$	$	$	$	$	$	$	$
Montreal*	14,905,806	9,132,424	8,467,070	285,484	834,579	10,613,427	409,076	2,827,697	1,838,001,894
Nova Scotia	14,987,890	4,378,940	958,133	83,239	63,603	5,729,320	150,943	2,362,304	643,221,113
Toronto	...	1,963,682	920,646	21,579	11,460	3,190,956	52,005	284,215	344,721,001
Provincial	...	13,623	652,203	35,134	415,420	1,747,525	41,681	65,472	129,996,113
Commerce†	25,019,679	5,834,095	1,835,678	162,220	911,895	15,555,797	350,000	3,504,244	1,347,281,267
Royal	95,716,931	3,626,536	3,837,484	312,011	767,300	10,719,722	460,000	1,308,355	1,951,428,597
Dominion	186,922	48	220,936	17,710	52,242	4,576,568	67,648	370,540	338,607,524
Nationale	...	647,708	3,813,610	17,559	816,311	4,635,296	73,893	288,185	342,884,561
Imperial	...	539,259	448,689	18,791	...	5,570,705	69,736	66,425	383,910,684
Barclays	...	...	...	8,156	...	781,557	16,575	8,684	33,196,010
Total	150,817,228	26,136,315	21,154,449	961,883	3,872,750	63,120,873	1,691,557	14,981,121	7,353,248,764

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

■Includes mortgages.

▲Includes $140,688,242 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement—Footnote to The Royal Bank of Canada Return.

You Have Bank Balance of $533 If You're the Average Canadian

The average savings account in Canadian banks rose $45 in 1945 to $533 according to the annual classification of chartered bank deposits on Oct. 31, 1945, published by the Bank of Canada. The number of accounts increased more than 500,000.

This expansion occurred despite the fact that in the preceding 12 months, Canada floated the two largest Victory loans on record up to that time, and government expenditures for war supplies declined in the weeks immediately preceding the date of the report.

Payments of soldiers' gratuities and of family allowances probably more than made up the shrinkage due to the other causes. These savings deposits, particularly, reflect latent public spending power, the total being about $502 millions higher than on the same date the year before.

Demand deposits also were substantially higher. Demand deposits are mainly those of industrial business concerns and repayable on demand. Savings deposits are mainly accounts of individuals, and theoretically repayable after reasonable notice, although the banks never insist on this. The average demand deposit rose $162 to $2,985, the number increasing almost 10,000.

Assuming there were 3,100 branch banks in Canada, the average branch bank had total deposits of both classes of over $1.7 millions on Oct. 31.

Of the total number of demand deposits, 76%, and of savings accounts, over 88% were for $1,000 or less.

Many Small Savings Accounts

But while more than half the total amount of savings deposits is in accounts of $5,000 or less, more than half the amount of demand deposits is in accounts of $100,000 or more.

During the war, the proportion of demand deposits to the total has increased substantially. Before the war savings deposits were about 66% of the total. In 1945 the proportion was: savings over 56%, demand a little under 44%. In 1944 savings were 54% of the total, demand deposits about 46%. Possibly the rise in proportion of demand deposits to the total has about reached its limit with the end of the war expenditures.

ANNUAL CLASSIFICATION OF DEMAND AND NOTICE DEPOSITS

As at Oct. 31:	Number (Thousands) 1945	1944	1943	Amount (Millions of dollars) 1945	1944	1943
Demand Deposits:						
$1,000 or less	592.0	602.1	611.9	166.3	142.1	132.7
$1,000 to $5,000	133.3	120.1	94.3	289.0	259.0	202.0
$5,000 to $25,000	34.9	29.4	25.0	344.0	295.8	252.2
$25,000 to $100,000	6.7	5.8	5.1	307.2	268.1	240.3
Over $100,000	2.5	2.2	2.0	1,159.8	1,145.4	983.6
Adjustment items	....	....	....	+30.6	+34.0	+16.0
Total demand deposits	769.3	759.5	738.3	2,297.0	2,144.5	1,826.8
Notice Deposits:						
$1,000 or less	4,988.7	4,588.0	4,280.4	862.3	752.3	617.3
$1,000 to $5,000	584.2	454.3	342.8	1,142.9	880.2	671.1
$5,000 to $25,000	60.6	47.4	35.8	497.0	405.1	308.9
$25,000 to $100,000	3.1	2.8	2.4	133.4	122.0	105.4
Over $100,000	.8	.7	.7	347.8	322.7	250.8
Adjustment items	....	....	....	+8.3	+6.6	+7.7
Total notice deposits	5,016.7	5,093.2	4,662.1	2,991.6	2,488.9	1,961.2

Bank Deposits In '45 Reached All-time High

Six strategic factors taken by Dominion Bureau of Statistics to indicate the trend of economic conditions averaged higher in 1945 than in any other year. Five of the six factors used rose to a higher position than in 1944.

Bank deposits, consisting of Dominion and provincial balances and notice and demand deposits were at a higher level than in any other year. Speculative factors also continued to show an upward trend, with common stock prices averaging nearly 19% higher. Wholesale prices index moved up .6 points and bond yields average slightly more than 95.

Production dropped as a result of war output reduction, but the physical volume of business index, at 212.5, indicates a higher level than any year except 1943 and 1944. In the construction industry, contracts awarded rise 40%, but only a 6% gain in construction employment indicates that work has not yet started on most of the contracts. Steel ingot and pig iron production dropped slightly.

Exports, excluding gold dropped 6.2% and imports 9.8%. Active balance of trade receded from $1,724 millions to $1,682 millions. Net exports of nonmonetary gold receded 12.5% from the 1944 level.

Both retail and wholesale sales were considerably greater. In the first 11 months the index of retail sales rose from 166.7 to 180.9 and wholesale from 188.6 to 206.2. Department store sales rose 11% over the 1944 average, and country general stores were up 6.5%.

Ordinary government expenditures rose from $528 millions during the first nine months of the fiscal year ended March 31, 1945, to $827 millions for the same period ending. 1946. War expenditures declined 39.7% and United Nations Mutual Air expenditures increased 12.4%.

Here are some of the significant increases and decreases in Canadian business in 1945 as compared to the previous year taken from a recent DBS report.

These Went Up (%)	
Building permits	41.7
Contracts awarded	40.1
Cattle slaughterings	29.1
Cigarettes released	22.3
Common stock prices	18.9
Logging employment	14.5
Banking deposits	14.5
Money supply (11 month average)	14.3
Circulation media (11 month average)	13.2
Bank debits	12.7
United Nations mutual aid	12.4
Cash & cheque payments (11 mo. av.)	11.9
Wholesale sales	9.3
Newsprint production	8.9
Retail sales	8.5
Current loans (12 month av.)	7.7

These Went Down (%)	
Hog slaughterings	35.2
Mineral Production	30.5
Manufacturing production	14.9
Industrial production	14.3
Mint receipts of gold	12.6
Net Exports Non monetary—Gold	12.5
Physical volume of business	10.3
Imports	9.8
Manufacturing employment	9.3
Consumption of firm power	9.2
Exports	6.2
Steel ingot production	4.7
General employment	4.3
Mining employment	4.9
Total government revenue	4.1
Pig iron production	4.0
Coke production	3.5

Bridge Plant To Build Ships

MONTREAL (Staff) — Dominion Bridge Co. has reached an agreement with the French Government for construction of 80 barges to be used in French Indo-China, and agreement is expected shortly on another contract for barges, to be used by France on the Rhine River, The Financial Post is advised by Dominion Bridge officials.

Although final papers in connection with the 80-barge contract have not been signed, all terms are settled, and only the formalities remain. The barges for Indo-China are to be constructed at the Vancouver plant because of shorter distance to their destination. The order amounts to $700,000.

Contract for construction of barges to be used in Europe is expected to be wound up shortly. The barges for Europe will be more expensive, as they will be self-propelled. Participation of one or more Montreal shipyards in this contract is likely, although fabricating work will be done at the Dominion Bridge plant in Montreal.

Municipal Problems In B. C. Under Survey

VICTORIA (Staff) — H. Carl Goldenberg has arrived here to begin his enquiry into municipal-provincial matters on behalf of the British Columbia Government. The enquiry will cover the following matters:

(1) Powers, functions and responsibilities of the various classes of municipalities;

(2) Functions performed and services rendered by the province within the municipalities;

(3) Municipal expenditures;

(4) Municipal debts;

(5) Municipal revenues;

(6) System of municipal taxation and assessment of property;

(7) Adequacy of municipal revenues for the performance of municipal functions.

BANK OF CANADA

Liabilities	Feb. 13 1946	Feb. 6 1946
Notes in circ.	1,065,315,109	1,088,052,313
Rest fund	10,050,367	10,050,367
Deposits: Dom.	223,675,011	169,683,526
Chartered bks.	502,429,282	493,642,714
Other	63,107,732	59,832,579
Total deposits	789,212,025	723,158,819
Liabs. payable in sterling, U.S.A. and For. Gold currencies	101,830,762	101,830,762
All other liabs.	8,018,537	31,941,417
Total liabs.	1,999,426,800	1,960,033,678
Assets		
Sterl. & for'n ex.	101,830,762	101,830,762
Subsid. coin	358,512	355,503
Investments:		
Dom. gov. sh.	1,148,477,493	1,130,428,532
Oth. Dom. gov.	692,016,278	694,633,667
Other secs.	10,000,000	10,000,000
Total invest.	1,850,493,771	1,835,060,199
Premises	1,883,985	1,883,985
All other assets	44,859,771	20,903,229
Total assets	1,999,426,800	1,960,033,678

Train Veterans In Investment

MONTREAL (Staff)—As its part in helping war veterans to get a new start in civilian life, Nesbitt, Thomson & Co., Ltd., is training 10 young men for the investment banking business.

For two months, they have been given an intensive schooling in a classroom in the firm's head office in Montreal. They receive a salary of $1,500 to $2,400 plus all living expenses including hotel accommodation, meals, etc.

On completion of the training in theory, the men will be assigned to various Nesbitt-Thomson offices as salesmen, and will continue to receive their basic salary, plus commissions.

MONTREAL CURB MARKET seat has been sold at $18,500, up $3.500 over previous sale on Jan. 8, and highest prcie since 1937.

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Rates for Rooms as Follows:—

Single room without bath, $2.75; running water and toilet.
Single room with shower, $3.00.
Single room with bath, $3.50.
Single room with tub and shower combination, $4.00.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $5.00.
Double room with tub and shower combination, $5.50.
Twin bedrooms, with tub and shower combination, $6.00.

Soliciting your appreciated patronage.

H. F. STRUCKETT, Manager

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THERE *is* something missing in this picture! And that something is magazines. You'll find them in every home because they fill a deep-felt need for interesting relaxation, stimulating ideas, and authentic, well-written news and views on a thousand-odd subjects. In over 272,580 Canadian homes you'll find National Home Monthly — the magazine that reaches more Canadian families than any other Canadian magazine.

National Home Monthly is tops in popularity with Canadian families because it's a family magazine. In every issue there are special features profusely illustrated for every member of the household, from teenage youth to responsible adults.

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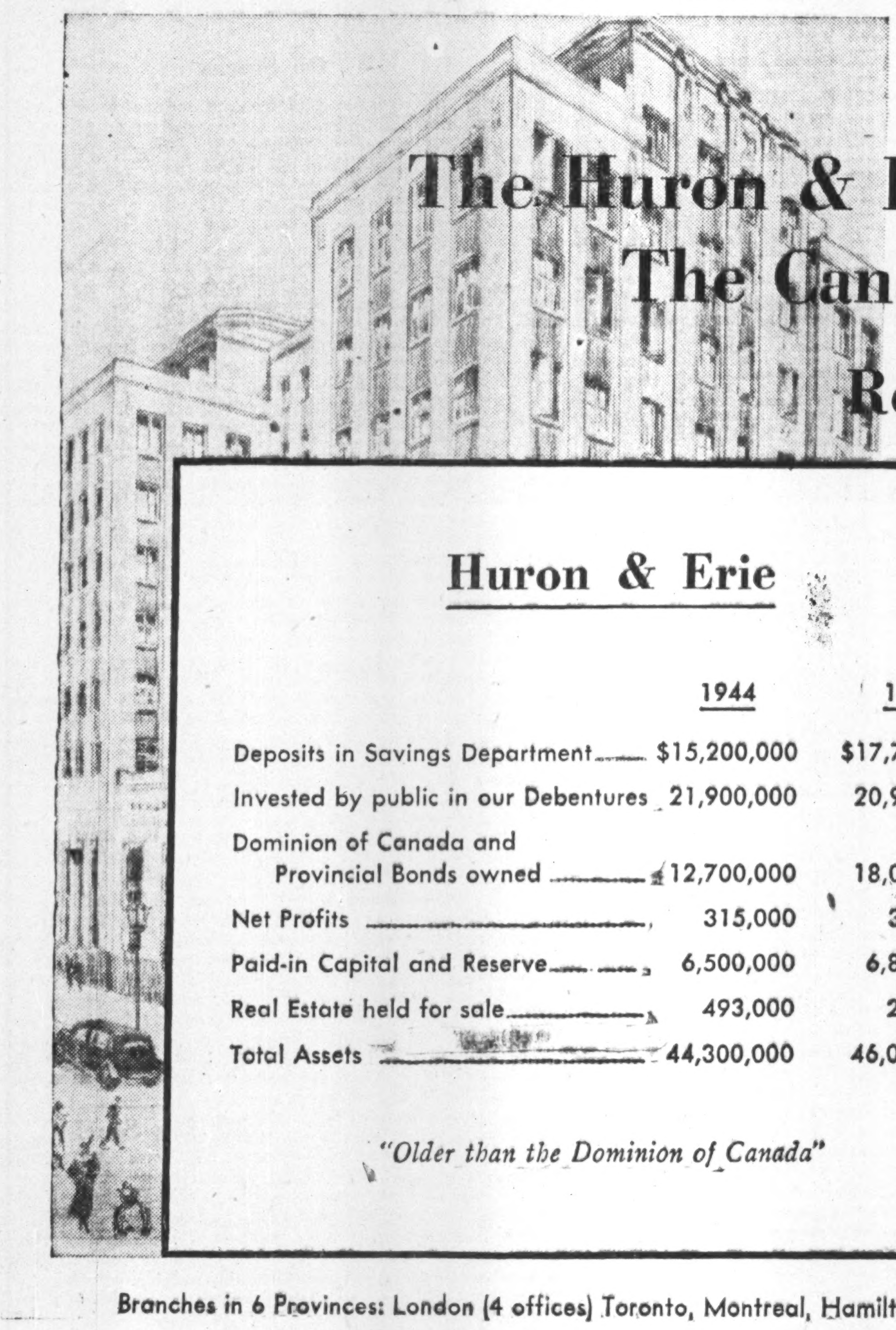
LARGEST MAGAZINE CIRCULATION IN CANADA

272,580
Canadian Circulation
99% Home Delivered
A.B.C. Audit Report, June, 1945

National HOME MONTHLY



The Huron & Erie Mortgage Corporation
The Canada Trust Company
Head Office — London, Ont.
Results for 1945

Huron & Erie

	1944	1945
Deposits in Savings Department	$15,200,000	$17,700,000
Invested by public in our Debentures	21,900,000	20,900,000
Dominion of Canada and Provincial Bonds owned	12,700,000	18,000,000
Net Profits	315,000	341,000
Paid-in Capital and Reserve	6,500,000	6,850,000
Real Estate held for sale	493,000	296,000
Total Assets	44,300,000	46,000,000

"Older than the Dominion of Canada"

Canada Trust

	1944	1945
Estates and trust funds under administration	$32,600,000	$33,900,000
Funds invested by public in Guaranteed Deposit and Trust Certificates	7,260,000	7,150,000
Paid-in Capital and Reserve	1,600,000	1,700,000
Net Profits	69,192	76,064
Real Estate held for sale	320,000	Nil
Total Assets	41,600,000	42,900,000

"Friendly and Efficient"

Branches in 6 Provinces: London (4 offices) Toronto, Montreal, Hamilton, Windsor, St. Thomas, Chatham, Winnipeg, Regina, Edmonton, Vancouver, Victoria.

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

WEEK ENDING FEBRUARY 18

Range 1945-46 High	Low	Div R'te $	Feb16 Y'ld %		Sales	Last Feb. 11	Week end. Feb. 18 H	L	Cl'se
9¼	2¼	.	...	Abitibi	9843	8	8¾	7¼	8¼
100¼	44	.	...	Do. pref. 6%	3220	99	99¼	98	99¼
182	140	.	...	Do. pref. 7%	85	179¼	182	180	182
24	17	1.00	4.3	Acadia Atlan A	2220	23	23¼	22¼	22¾
107	99	5	4.8	Do. 5% pref.	75	106	106¼	106	106¼
17	9¼	.	...	Acme Glove	150	16¼	16¼	16¼	16¼
103	90	6.50	...	Do. pref.	10	103	103	103	103
32	20	1.20	3.9	Agnew Surp.	100	30	30	30	30
26	14		...	Algoma Steel	1191	24	24	23¼	23¾
103	97	5.00	...	Do. pref.	85	101¾	103	103	103

Range 1945-46 High	Low	Div R'te $	Feb16 Y'ld %		Sales	Last Feb. 11	Week end. Feb. 18 H	L	Cl'se
28	24		...	Godfrey	15	25	26	26	26
115	90	2.50	2.3	Goodyear Tires	85	113	112	110¼	111¼
57	53¼	2.50	4.5	Do. pref.	147	55	55	54¼	55
34	4¼	.	...	Gt. Lakes Pap.	1430	28¼	34	28	33
54	26¾	*1.50	...	Do. pref.	785	52	54	51	54
34	4	.	...	Do. Vot. tr. c	5376	29	34	26¼	32
55	23	.	...	Do. Vot. tr. p	4205	51	55	50	54
400	370	15	4	Gt. West-Life	1	375	400	400	400
14¾	5¼	.	...	Gt. W. Saddlery	280	13	14	13	13¼
7	5¼	.	...	Greening Wire	1240	6¼	6¾	6¾	6¾
10	5¾	.	...	Gurd, Chas.	60	9	9¼	9	9¼

Range 1945-46 High	Low	Div R'te $	Feb16 Y'ld %		Sales	Last Feb. 11	Week end. Feb. 18 H	L	Cl'se
160	146¼	3.00	...	West Grocers	15	150	160	160	160
170	155	7.00	4.1	Do. pref.	5	170	165	165	165
30	14	*1.00	...	Westeel	435	27	28	27	27¼
30	18	.80	2.9	Weston, George	1155	29¾	29¼	28¾	29¼
107	99	4.50	4.1	Do. 4½% pf n	35	106	107	107	107
30	19¾	1	4.2	Wilsils	150	25¼	25¼	25	25¼
12¾	7	.	...	Windsor Hotel	67	11¼	12¾	12¾	12¾
18	6	.	...	Winnipeg El. A	4038	16¼	16	15¼	15¼
99¾	68¼	5	5.2	Do. pref.	160	99¼	99	99	99
120	117	7.00	5.8	Wood, A & J p	10	117	120	120	120

Range 1945-46 High	Low	Div. Feb 16 Rate $	Yield %	Company	Sales	Last Feb. 11	Week Ending Feb. 18 High	Low	Close
3.50	1.23	†.05	....	Little L.L.	28,060	3.20	3.25	2.90	3.20
2.09	.86	.....	....	Louvicourt	15,740	1.50	1.60	1.50	1.60
.65	.40	.....	....	Lunward	26,200	.55	.65	.40	.61
.80	.30	.....	....	Lynx Y.K.	25,400	.43	.45	.41	.42
5.25	3.83	▼.12	....	Macassa	3,925	4.85	4.90	4.85	4.90
7.50	1.15	.....	....	MacDonald	35,895	6.20	6.20	5.90	5.90
3.80	2.20	▼.05	....	MacLeod C.	14,290	3.65	3.75	3.50	3.60
5.45	2.17	†.08	....	Mad. R.L.	5,580	5.00	5.05	4.85	5.00
.90	.69	.....	....	Magnet C.	17,930	.77	.80	.75	.80
4.20	3.15	.....	....	Malartie G.	28,675	3.60	3.65	3.50	3.60

Mining Stocks

Week Ending Feb. 18

Oil Stocks

Range 1945-46 High	Low	Div. Rate	Yield	Company	Sales	Last Feb. 11	High	Low	Close
.11	.05	.....	....	Mercury	1,100	.08	.08	.07	.07
.34	.13	.....	....	Midcont.	66,900	.14	.16¼	.13¼	.15
.13	.10	.....	....	Mill City	1,000	.10	.10	.10	.10
.26	.17	.....	....	Model	10,000	.25	.25	.23¼	.24
.22	.09¼	.....	....	Nat. Pete.	2,000	.17	.16¼	.16¼	.16¼
.46	.05	.....	....	Nordon	4,500	.33	.31	.30	.30
.09¼	.03¼	.....	....	Oil Select	1,500	.06	.05¼	.05¼	.05¼
.90	.40	.....	....	Okalta	10,500	.68	.67	.60	.65
.18	.07	.....	....	Pacalta	45,700	.15	.15¼	.14	.15
1.65	.50	.....	....	Pac. Pete	39,470	1.15	1.24	1.10	1.24
1.25	.80	.....	....	Roxana	55,425	1.05	1.20	1.00	1.20
.05¼	.03¼	.....	....	Royal Can.	3,500	.05	.05	.05	.05
25.50	17.45	1.00	4.3	Royalite	504	22.00	23.00	22.00	23.00
.10	.03	.....	....	South End.	6,500	.07¼	.08	.07¼	.07¼
.14	.12	.....	....	Spooner	1,000	.12	.13	.13	.13
.10¼	.07	†.02	....	Sunset	500	.10¼	.09	.09	.09
1.30	1.10	.....	....	Texas Can.	200	1.25	1.30	1.30	1.30
.15	.05	.....	....	United Oils	5,500	.11¼	.10	.08	.09
.32	.10	.....	....	Vermilata	315,000	.12	.13	.10	.10¼
.40	.17	.....	....	Vulcan	2,100	.33	.33	.32	.32

▼ Paid in 1944. * N. Y. Funds. † Paid in 1945. x Extra. ■ Supj. appr. F.E.C.B. Paid or payable in 1946.

Volume of Stock Sales

Feb. 19	272,700	2,177,000	92,965	3,230,000
Feb. 18	359,100	2,541,000	162,337	2,460,000
Feb. 16	......	....	......	2,090,000
Feb. 15	362,000	1,600,000	292,339	2,660,000
Feb. 14	233,100	1,496,000	221,496	1,910,000
Feb. 13	307,200	1,706,000	231,522	2,420,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Feb. 18 Bid	Ask
Thayers	...	9	5	10
Do., pref.	■2.00	30	30	41
Theatre Props.	...	3⅜	4	..
Thrift Stores pf.	...	35	40	..

Mining Stocks

Proprietary	.05	15.75	15.35	17.00
Prospectors Air's.	...	.62	.60	.70
Simcoe	...	1.13	..	..
S. American G.	...	1.10	..	..
Star Lake	...	.01¼	.02	.03¼
Sunlock	...	.25	..	..
Triblemont	...	.25	..	..
Oil Stocks				
Coastal Oils	...	.32	..	..
Commoil	▲.01	.33¼	..	..
Marvel	...	.02	.02	.02¼
McLeod	...	.07¼	3.50	3.65
South West Pete.	...	.30	..	..
Vanalta	...	.12	.10	..

†Paid in 1945. ‡Paid or payable in 1946.

Government Bonds

Feb. 19, 1946 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105¼	106
3	Mar. 1954	105¼	106
3	Nov. 1956	105¾	106¼
3	May 1957	104¾	105¼
3	Jan. 1959	104¼	104¼
3	June 1960	104¼	105
3	Feb. 1962	104¼	105
2	Dec. 1946	100¾	101¼
2¼	Mar. 1948	101¼	102
1¾	May 1946	100¼	100¾
1¾	Nov. 1946	100¼	102
1¾	May 1947	100¼	102
1¾	Mar. 1948	100¼	102
1¾	Nov. 1948	100¾	101
1¾	Nov. 1950	100¼	100¾
3	Oct. 1963	104¼	105
3	Sept. 1966	104¼	105
Dom. of Canada Bonds			
3¼	Nov. 1951	104	104¼
4	Oct. 1952	103¾	104⅓
3¼	Feb. 1952	105¼	106
3	Oct. 1952	103¾	104¼
3	June 1955	103⅓	103¾
4¼	Nov. 1956	102¼	102¾
4¼	Nov. 1957	104¾	105¼
3	June 1958	103¼	104¼
4¼	Nov. 1958	106¾	107 1/5
4¼	Nov. 1959	108⅞	109¼
3¼	June 1966	105¾	106¾
3	Perpetual	103	104
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103¼	...
4¼	Sept. 1951	127	...
4¼	Feb. 1956	135	...
4¼	July 1957	137	..
3	Feb. 1953	102¼	103
4¾	June 1955	135	...
3	Feb. 1954	117¼	118¼
5	Feb. 1970	129¼	...
5	Oct. 1969	128¼	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	135	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	119¼	...
4	Jan. 1962	131¾	...
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	100¼	102
3¼	Aug. 1949	100¾	102
3¼	June 1956	103¼	104¾
4¼	Apr. 1961	131	...
5	Jan. 1960	135¼	...
Nova Scotia:			
3	Jan. 1952	103¼	103¼
3¼	June 1956	103	104¼
3¼	Nov. 1950	105¼	106¾
4¼	Sept. 1952	114½	...
4¼	Nov. 1960	133	...
5	Mar. 1960	138	...
Ontario:			
3	Apr. 1948	100	...
3	Nov. 1950	101¼	102¼
3¼	Nov. 1951	103¾	105¼
3¼	May 1955	104¾	106
4	June 1962	131	...
4¼	June 1950	110	111
4¼	Jan. 1962	137	...
5	Oct. 1948	107¼	108¾
5	Dec. 1960	142	...
5¼	July 1946	101	102¼
Ont. Hydro Commission:			
3	Aug. 1948	100	101¼
3¼	Feb. 1953	103¾	105¼
3¼	Apr. 1947	101¼	102¾
Prince Edward Island:			
4	Mar. 1954	104	106
Quebec:			
3	Nov. 1947	101¼	102¾
3¼	Mar. 1948	102	103¼
3¼	Mar. 1959	104¼	105¾
4	Nov. 1952	105¾	107¼
3¾	Feb. 1955	105¼	107
4¼	Aug. 1958	112¼	114
4¼	Jan. 1963	118¼	119¼
Alberta:			
3¼	June 1964	101¾	...
3¼	June 1966	101¾	...
3¼	June 1968	108¼	...
3¼	June 1972	107¾	...
3¼	June 1978	107	...
British Columbia:			
4	Dec. 1957	123¼	...
4¼	Jan. 1951	121¼	...
4¼	Oct. 1953	125	...
5	Apr. 1954	129	...
6	Feb. 1947	102¼	104
Manitoba:			
4	Man. 1957	123¼	...
4¼	Dec. 1956	128	...
5	Dec. 1959	136¼	...
5	Oct. 1955	118¼	120
6	Apr. 1947	102¼	...
Saskatchewan:			
4	Sept. 1954	101	103
4	Nov. 1960	102	103¼
4¼	Oct. 1951	114	...
4¼	Mar. 1960	115	...
5	Aug. 1958	109	111
5¼	Oct. 1952	107¼	109¼
6	Mar. 1952	109¼	111¼

Unlisted Stocks

(Compiled from quotations by Plaxton, MacDonnell & Co., Kamm, Garland & Co., and Kippen & Co., Inc.)

Feb. 18, 1946

	Bid	Ask
Abitibi, new com.	14.75	16.00
Abitibi, new $1.50 pref.	18.25	19.25
Abitibi, new $2.50 pref.	37.00	39.00
Allens Toronto units	38.00	....
Anglo Can. Telephone A	11.50	13.00
British Mortgage and Trust	152.00	160.00
B. C. Sugar	93.00	97.00
Canada Machinery com.	12.50	14.00
Canada Paving 1st pfd.	7.50	....
Canadian Airways	2.75	3.75
Can. Investors Corp.	8.00	9.00
Canadian Motor Lamp A	9.75	11.50
Can. West Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par	65.00	....
Capital Wire Cloth pfd.	22.00	25.00
Cawthra Apts. units	4.00	....
Chase, A. W., units	31.00	....
Colonial Steamships com.	90.00	....
Commercial Finance com.	10.00	....
Commercial Life 10% paid	7.00	....
Commonwealth Int. Corp.	4.03	4.43
Confederation Life Assoc.	145.00	155.00
Continental Life 20% paid	35.00	....
Detroit International Br.	32.00	35.50
Dover Industries Ltd.	11.50	12.75
Dunlop Tire pfd.	25.75	27.00
Empire Life Ins. 25% paid	16.00	....
Federal Foundries & Steel Co., new com.	3.60	3.85
Galt Brass com.	27.00	....
Goderich Elevator & Trans.	15.00	17.00
Great Lakes Power pfd.	114.00	116.00
Great West Life	375.00	....
Guardian Realty pfd.	29.00	....
Guelph and Ont. Svgs. $50.	53.00	....
Gurney Foundry pfd.	2.80	3.25
Inter. Utilities $3.50 pfd.	56.00	59.00
Lambton Loan & Inv. $50	53.00	....
Loblaw Groc. Inc.	21.50	23.00
London & West. Trust $100	76.00	....
Manufacturers Life Ins.	275.00	300.00
Maxson Food Systems	7.00	10.00
Midland L. & Svgs. $10 par	16.00	....
Monarch Life Asso. 20% pd.	64.00	68.00
Monarch Mtge. units	3.50	4.50
Morrison Brass com.	4.00	5.00
National Drug & Chem. c.	5.00	6.50
National Hosiery pfd.	4.00	5.50
Ont. Tobacco Plant units	22.00	....
Paramount Kitchener units	54.00	....
Provincial Paper pfd.	109.00	111.00
Ruddy, E. L., pfd.	145.00	....
St. John Drydock pfd.	105.00	....
Sawyer Massey com.	1.50	....
Seiberling Rubber com.	9.00	....
Sincennes McNaughton T.	2.00	2.75
Sovereign Life Assce. 25%	29.00	....
Standard Fuel 6¼% pfd.	98.00	102.00
Standard Fuel com.	1.75	....
Third Can. Gen. Inv.	4.00	....
Toronto Carpet pfd.	98.00	....
Toronto General Ins.	5.75	6.75
Trusts & Guaran. $100 par	93.00	99.00
United Farmers Co-op	3.00	4.00
United Steel A pfd.	26.00	27.50
Victoria Trust & Svgs.	109.00	....
Waterloo Mfg. com.	10.75	12.00
Western Assurance com.	60.00	63.00
Western Grain com.	2.25	3.25
Western Grain pfd.	49.00	52.00
York Trading com.	5.50	7.50

Unlisted Mines

Approximate quotations, 3 p.m., Feb. 19 subject to confirmation:

	Bid	Ask
Abenakis	.12	.14
Advance	.17	.20
Albany R (new)	.42	.44
Alcan	.08	.10
Alexander	.41	.44
Aljo	.06¾	.07¾
Ama Kir	.16	.18
Ama Lar	2.00	2.15
Anna'que	.10	.12
Anoki	.09	.11
Apex Oil	.07¼	.08¼
Argonaut	.18	.20
Arntfield (old)	.06	.09
Audley	.05	.07
Aurlando	.10	.13
Aurora Y	.51	.55
Auterra	.04	.06
Barb L n	.07	.08
Blondor	.15	.17
Blue Gras	.10	.12
Bouzanne	.19	.22
Brae Bree	.15	.17
Bravo	.07	.09
Brewis	.40	.44
Brig R L	.24	.27
Brock	.16	.19
Burley Po	.05¼	.06¼
Cal'n '39	.44	.47
Camlaren	.12	.14
Carricona	.11	.12
Cassidy	.27	.29
Cen Mani	.15	.17
Cheskirk	.36	.40
Cock R L	.18	.20
Columbier	.35	.37
Con Chib	.46	.50
Con Cop	.35	.38
Courageo	.24	.27
Craibbe	.42	.44
Croydon	.17	.19
Cuyuni	2.20	2.30
D'Aragon	.43	.46
Derlak	.10	.12
Detta	.48	.50
De Santis (new)	.15	.17
Dexter	1.00	1.10
Discovery	.84	.86
Dom Mal	.05	.07
Dona Pat	.04¼	.06
Doris	.53	.56
Dunford	.15	.17
Eastward	.38	.41
Electra	.17	.20
Elmac	.48	.51
Erin Kir	3.90	4.00
Eurek C	4.25	4.30
Gilbec	.03¼	.04¼
Goldvue	.75	.78
Goodrock	.07	.09
Gord Leb	.14	.16
Governor	.32	.35
Greenlee	.22	.23
Gwillam	.39	.42
Habitant	2.00	2.10
Harp Mal	.07¼	.09
Hayes Cd	.08¼	.09¼
Highridge	.14	.16
Hoyle	.23	.26
Hugh P P	.14	.16
Independe	.20	.23
Indyke	.40	.45
Joannes D	.09	.11
Kamlac	.38	.41
Ken-Bay	.20	.25
Kencour	.09	.11
Kenda Pe	.35	.40
Kenroy	.06	.08
Laguerre	.45	.46
Lk Rowa	.35	.38
Lk Expa	.12	.14
Lar-Add	.09	.11
Larder U	.13¼	.15
La Salle	.27	.30
Lavalie	.13	.15
Legardo	.05¼	.06¼
Lingnora	.18	.21
Louvore	.06¼	.08
MacFie	.67	.70
Major Oil	.10	.13
Manterre	.08	.10
Marbenor	.29	.31
Marquette	.05¼	.06¼
Mar Bird	.13	.15
Mary Ann	.17	.19
Mat Con	.57	.62
Mate Ye	.13	.16
Metalore	.09	.11
Mic of Cn	.28	.32
Miles RL	.33	.35
Moffat H (new)	.03¼	.04¼
Mohawk P	.06	.08
Murbell	.05	.06
Murmac	.25	.28
Myla'que	.20	.24
McCuaig	.22	.24
McManus	.22	.25
Nat Mal	.50	.53
Nayb '45	.58	.63
Nereco	.35	.40
New Aug	.21	.23
New Mal	.10	.12
New Nor	.23	.27
Nic Off	2.50	2.90
Norbeau	1.15	1.20
Norcourt	.13	.15
Norford	.16	.18
Nortyne	.05	.08
Novell P	.12	.14
Obalski	.30	.33
Do., 1945	.81	.83
Obaska	.36	.40
Okled	.12	.14
Olivet	.06	.07
Opemiska	.36	.39
Orpit	.12	.15
Ortona	.14	.16
Pascalis	.44	.48
Peg Tan	2.70	2.90
Pelangio	.13	.15
Phelps	.17	.20
Pinnacle	.16	.18
Pona Go	.06	.08
Presdor	.07	.08
Privateer	.75	.80
Quest	.37	.40
Rajah RL	.10¼	.12
Rambull	.05	.08
Rand Mal	.17	.20
Ray Tib	.12	.14
Rebair	.46	.50
Redruth	.26	.29
Redwood	.14	.16
Richgroup	.20	.23
Ritoria	.08	.10
Rhyolite	.06	.07
Santiago	.94	.98
Sheldon	.48	.52
Skyn Lk	.08	.09
Steeber	.27	.30
Sun Bear	.09	.10
Thornhill	.44	.47
Tiffany	.10	.13
Tobico	.06	.07
Tombill	.50	.55
Tovarich	.06¼	.07¼
Val D'Bel	.10	.12
Vin Min	.90	1.05
Vinray	.34	.37
Virginia	.30	.33
Weku Con	.52	.55
Wesley	.06¼	.07¼
West R L	.09	.11
West Shor	.05	.07
Wilwood	.15	.17
Wincheste	.21	.24
Wingait	.15	.17
Y Davids	.37	.40

Grain Prices

Winnipeg Grain Futures

Week to Feb. 19, 1946

Crop year from Aug. 1, 1945 High	Low		High for week	Low for week	Close Feb. 19
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
2.69	1.34⅞	May	2.69	2.46½	2.64
2.59½	1.49¼	July	2.59½	2.36	2.58½
1.98½	1.59½	Oct.	1.98½	1.89½	1.97

*At ceiling.

Cash Quotations

	For Week Feb. 19 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	2.71	2.55	2.52½	2.34½

*At ceiling.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Feb. 19, 1946

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	64¼	67¼	64¼
†Assoc. Tel. & T.	5¼	'55	113¼	116	113¼
B. C. Pwr.	4¼	'60	104	106¼	103¼
Do.	4	'65	103¼	106	...
B. C. Tel.	4¼	'61	106¼	109	106¼
†Calgary Pwr.	5	'60	115	...	115
Do.	5	'64	105	107¼	105
Gatineau Pwr. A	3¾	'69	116	...	116
♦Do., B	3¾	'69	104¼	107	104¼
Gt. Lakes Pwr.	4¼	'56	102¼	105	102¼
Do.	5	'57	102¼	105	102¼
*Int. Hydro-El.	6	'44	105	108	105
L. St. Law. Pr.	3¾	'65	102	104¼	102
Macl'n-Que. Pr.	4	'59	103	105¼	103
Mtl. L. H. & Pr.	3¼	'56	101	103¼	101
Do.	3¼	'73	100¼	103	100¼
Do.	3¼	'63	102	104¼	102
†Mtl. Tramways.	5	'51	110	...	110
†Do.	5	'55	100¼	103	100¼
Nat. Lt. & Pr.	4¼	'61	101	...	101
N. S. Lt. Pr.	4	'57	102¼	105	102¼
Ottawa L.H.& P.	4	'57	102¼	105	102¼
Ottawa V. Pwr.	5	'59	102	...	102
Do.	4	'64	105¼	...	...
†Power Corp.	4¼	'59	115	117¼	115
Quebec Pwr.	4	'62	102¼	...	102¼
*Saguenay P. A a	4¼	'66	113¼	...	113
♦Do., B	4¼	'66	103¼	106	103¼
St. Maurice Pr.	3¾	'70	103	105¼	102¼
Shaw. W. & Pr.	4	'61	104	...	103¼
†Do.	3¼	'70	103	105¼	102¼
Do.	4	'69	104	106¼	104
Union Gas	4¼	'50	101	103¼	100¼
†United Secs.	3	'52	98¼	...	98¼
†Wpg. El Ser. A	5	'65	99½	102	99¼
Do., B	5	'65	104	106½	104
Industrial and Realty Issues:					
†Abitibi P & P C.O.D.	5	'53	117¼	120	117
Acadia-Atlantic Sugar	3¾	'65	101	...	101
†Alta. Pa. Grain	6	'46	110	...	110
Algoma Steel	5	'48	101½	104	101¼
Aluminum Co.	3¼	'74	102¼	...	...
†B. C. Pulp & P.	6	'50	106	...	106
‡†Do.	7	'50	101	103¼	101
*Brown Co.	5	'59	109	111¼	109¼
Burns & Co.	4	'63	101	103½	100
Can. Celanese	3½	'59	102	103½	...
Canada Cement	4¼	'51	102	104¼	102
Canada Electric	4½	'65	101½	...	101½
Can. Steamship	3¼	'57	101	103½	100½
‡Can. Locomotive	6	'53	105	...	105
‡†Can. Vickers	6	'47	107	109½	107
C. W. Lumber	4	'62	101	...	...
Can. Pac. Rly.	3¼	'51	103¼	106	103¼
Do.	4	Perp.	...	126¼	...
Do.	4	'49	105¼	...	105¼
†Consol. Paper	5¼	'61	109¼	112	109¼
Dom. Coal	4¼	'52	101	...	101
Dom. Scott Inv.	4	'52	101	...	101
Dom. T. & Ch.	3¼	'57	101½	...	110
Dom. Textile	3¼	'59	102	104¼	...
Dom. Woollens	5	'64	102½	105	102
†Donnacona Pap.	4¼	'56	108¼	111¼	108½
*Dryden Pap.	6	'49	108¼	...	108
Famous Players	4¼	'51	101½	104	101½
†Federal Grain	4	'64	101	103½	101
*Great L. Pap.	5	'55	111	113¼	111
*Gurney Fdry.	5¼	'49	102	...	102
‡Gypsum Lime	5¼	'48	109¼	112	109¼
Ham. Cotton	3¾	'59	99¼	...	99¼
Imperial Tob.	3¼	'56	102½	...	...
Inter-City Bak.	5¼	'48	101	...	101
Indust. Accept.	4	'52	100¼	104	100¼
Ins. Ex. Bldg.	3	'51	92	...	91¼
*Inter. P. Nfld. (Bowater's P&P)	5	'68	110	...	110
*Inv. Bond & Sh.	5	'47	99	102	97
Lake St. J. P.	5¼	'61	103¼	106	103¼
Do.	5	'61	103	105¼	102¼
Legare	6	'61	100¼	...	100¼
MacMillan (H.R.	4	'65	102	...	...
Maple L. M.	3¾	'63	101	103¼	100¼
Man. Sugar	5	'60	104	...	103
Massey-Harris	4¼	'54	103	105¼	103
McColl-Fron.	4¼	'49	101½	104	101½
McCormicks	4	'52	101	...	101
Mercury Mills	5	'59	100¼	103	100¼
Moirs Ltd.	6	'53	101	...	100¼
‡Mtrl. Drydocks.	6	'48	100	103	100
Montreal Apts.	4	'54	98	101	97
N. S. Stl. Coal.	3¼	'63	98	101	97
Price Bros.	5	'57	103	105¼	103
*Prov. Paper	5¼	'47	110¼	...	110¼
Reliance Grain	4¼	'52	100¼	...	100¼
Silv. Dairies	6	'66	101¼	...	101¼
Do.	4	'60-'64	100½	...	...
Simpsons, Ltd.	3¼	'60	101	103¼	101
Toronto Elevat.	3¼	'66	100½	...	...
United Corp.	4	'58	100¼	...	100¼
United Gr. Grs.	4¼	'58	101½	...	101
†Western Grain	5	'63	101¼	104	101
York Knit. Mills	4	'64	100½	...	...

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Can. In. Inv. Trust	5%	1959	Apr. 1	102¼
Candn. Locomo.	6%	1953	Apr. 12	105
‡Can. Utilities	5%	1955	Mar. 1	103
City Dairy Ltd.	5%	1956	Apr. 1	102¼
Do.	6%	1956	Apr. 1	100
Dom. Dairies	6%	1957	Mar. 1	102¼
‡Dom. Steel & C.	6¼%	1955	Mar. 1	110
Edm. City Dairy	5%	1960	Apr. 1	100
Do.	5¼%	1960	Apr. 1	100
‡Fed. Grain	6%	1949	Feb. 28	102
Int. Paper	6%	1955	Mar. 1	105
Rio De Janeiro Trams	5%	1958	Apr. 1	par
N. S. L. & Pwr.	4%	1957	Mar. 1	103
Purity Dairy	5%	1956	Apr. 1	100
Massey-Harris	4¼%	1954	Mar. 4	102

‡All outstanding bonds.

Municipal Bonds

Feb. 19, 1946

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1965	104	106	3.08
Hamilton	5	1950	108⅞	110⅞	2.25
Montreal	3	1950	100	101	2.77
Ottawa	3	1953	103	105	2.25
Quebec	3	1964	100	102	2.85
†Quebec	5	1959	128	...	...
Saint John	5	1950	107	109	3.00
†Toronto	4½	1955	131	...	...
†Vancouver	5	1970	139	...	...
Winnipeg	6	1950	112	114	2.50

†Payable Canada and New York.

PANDORA CADILLAC GOLD MINES, LTD., announces a further payment of $50,000 for 200,000 shares of stock received from Clair Agency, Ltd., under option agreement with that company, increasing total amount of stock outstanding to 4,600,000 shares, with 400,000 shares still remaining in the treasury.

Dividends Declared

	This payment $	Date payable	Date of record
Acadia-Atlan. S.			
5% pf.	1.25	Mar. 15	Feb. 20
Do., A	.25	Apr. 1	Mar. 10
Agnew-Surpass	.30	Mar. 1	Jan. 31
Do., 7% pref.	1.75	Apr. 1	Feb. 28
Aluminium	2.00	Mar. 5	Feb. 8
Do., 6% pfd.	†1.50	Mar. 1	Feb. 1
Argus Corp. 4½% p.	1.12½	Mar. 1	Jan. 31
Ang.-Can. Tel. A.	.15	Mar. 1	Feb. 8
Aunor Gold	.05	Mar. 1	Feb. 8
Banque Can. Natl.	.17½	Mar. 1	Feb. 15
Bk. of Montreal	.20	Mar. 1	Jan. 31
Bk. of Toronto	.25	Mar. 1	Feb. 15
Barber-Ellis	.12½+.12½	Mar. 15	Feb. 28
Bathurst Power	.25	Mar. 1	Jan. 31
Beaver Lumber		Apr. 1	Mar. 10
Belding-Cort.	*2.00	Mar. 1	Jan. 31
Belding-Cor. 7% p.	1.75	Apr. 1	Feb. 28
Belgium Glove	.17½	Apr. 11	Mar. 15
Do., 5% pr.	.25	Apr. 1	Mar. 1
Belleterre Quebec.	.10	Mar. 15	Feb. 15
Blue Top Brew. B.	.28	Feb. 28	Feb. 15
Borden Co.	†.50	Mar. 2	Feb. 15
B. C. Packers	1.00	Mar. 15	Feb. 28
Brewing Corp.	.62½	Mar. 11	Feb. 25
Brew. & Dist.	.50+.20	May 20	Apr. 19
Br. Amer. Bk. Nts.	.25	Mar. 15	Feb. 15
Bruck S. Mills	.20	Mar. 15	Feb. 15
Calgary & Edmon.	.05	Apr. 16	Mar. 19
Can. Cement pf.	1.62½	Mar. 20	Feb. 22
Can. Breweries	.25	Apr. 1	Feb. 28
C. Crushed Stone.	.10	Mar. 20	Mar. 1
Candn. Fgn. Inv.	.75	Apr. 1	Mar. 1
Can. Food Prod.	.12½	Apr. 1	Feb. 28
Do., "A"	.25	Apr. 1	Feb. 28
Do., In. Fun. Rts.	1.00	Mar. 15	Dec. 31
Can. Forgings (A)	.37½	Mar. 15	Mar. 1
Can. Int. Inv. Tr. p.	5.00	Mar. 1	Feb. 1
Can. Malt	.50	Mar. 15	Feb. 15
Can. Perm. Mtge.	2.00	Apr. 1	Mar. 15
C. Pac. Rly. ord.	.75	Mar. 30	Feb. 25
Capital Trust	3.00	Mar. 1	Dec. 31
Commoil Ltd.	.00½	Feb. 25	Feb. 9
Confederation Life	1.50	Mar. 15	Mar. 10
Do.	1.50	Jun. 15	Jun. 10
Do.	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Con. Bakeries ord.	.20	Apr. 1	Mar. 5
Cinzano Ltd.	4½d	Mar. 15	Mar. 1
Do., 5½% pf.	.05	Apr. 16	Mar. 9
Circle Bar Knit.	.15+.05	Mar. 1	Feb. 15
Consumers Glass	.50	Feb. 28	Jan. 25
Con. Paper	.50	Mar. 1	Feb. 9
Corrugated Paper Box 5% pf.	1.25	Mar. 1	Feb. 1
Consolidated Pap.	.50	Mar. 1	Feb. 9
Can. Cycle 5% pf.	1.25	Mar. 30	Mar. 15
Can. & Dom. Sugar	.20	Mar. 1	Feb. 9
Can. Malting	.50	Mar. 15	Feb. 15
Candn. Locomotive	1.00	Mar. 1	Feb. 15
Can. Bread 4½% pf.	1.12½	Apr. 2	Mar. 10
Can. Bread 5% pf.	.62½	Apr. 2	Mar. 10
Can. Northern Pr.	.15	Apr. 25	Mar. 20
Do., 7% pf.	1.75	Apr. 15	Mar. 20
Can. Vinegars	.15	Mar. 1	Feb. 15
Davis Leather A.	.37½	Mar. 1	Feb. 1
Do., B	.37½	Mar. 1	Feb. 1
Dom. Bridge	.30	Feb. 23	Jan. 31
Dom. Scot. Invest. 5% pfd.	.50	Mar. 1	Feb. 20
Dist. Corp.-Seag.	.55½	Mar. 15	Mar. 1
Do., 5% pf.	†1.25	May 1	Apr. 13
Dom. Envel. 7% p.	.87½	Mar. 1	Feb. 15
Dom. & Ang. In. p.	1.25	Mar. 1	Feb. 15
Dom. Stores	.20	Mar. 15	Feb. 16
Donnacona Pap.	.25	Mar. 1	Jan. 15
Eastern Steel	.20	Mar. 1	Feb. 15
English Elec. "A".	.25	Mar. 15	Feb. 28
Economic Invest.	1.20	Apr. 1	Mar. 1
Fanny Farmer	†.37½	Mar. 30	Mar. 15
Hamilton Cotton	.22½	Mar. 1	Feb. 8
Hallnor Mines	.07	Mar. 1	Feb. 8
Hudson B. M. & S.	.50	Mar. 11	Feb. 8
Imperial Tob. 6% p.	3%	Mar. 20	Feb. 12
Do., ord.	.10+.15	Mar. 30	Feb. 12
Imperial Varn.	.15	Mar. 1	Feb. 18
Do., $1.50 pref.	.37½	Mar. 1	Feb. 18
Intnl. Paper	†.50	Mar. 30	Mar. 8
Do., 5% pref.	†1.25	Mar. 30	Mar. 11
Intnl. Nickel	†.40	Mar. 30	Feb. 28
Intnl. Utilities	†.37½	Mar. 1	Feb. 15
Kerr-Addison	.05	Feb. 28	Jan. 31
L. of Woods M.	.30	Mar. 1	Feb. 6
Do., 7% pfd.	1.75	Mar. 1	Feb. 6
Lake of Woods c.	.30	Mar. 1	Feb. 6
Langley's 7% pfd.	.50	Mar. 11	Mar. 4
Do.	.50	June 11	June 4
Do.	.50	Sept. 11	Sept. 4
Do.	.50	Dec. 11	Dec. 4
Laura Secord	.20	Mar. 1	Feb. 1
Loblaw com.	†.20	Mar. 1	Feb. 14
Loblaw "A" & "B"	.25	Mar. 1	Feb. 5
Maple Leaf	.50	Mar. 15	Mar. 1
Monarch Kt. 7% p.	1.75	Apr. 1	Feb. 22
Do., 5% pf.	1.25	Apr. 1	Feb. 22
Molson's Brew.	.25	Mar. 27	Mar. 6
Montreal Cottons	1.00	Mar. 15	Feb. 15
Do., 7% pfd.	1.75	Mar. 15	Feb. 15
Montreal L. & M.	.31½	Mar. 15	Feb. 28
J. S. Mitchell	2.50	Mar. 1	Feb. 8
McIntyre-Porc.	.55½	Mar. 1	Feb. 1
MacLaren Power.	.35	Feb. 28	Feb. 14
Natnl. Biscuit	†.30	Apr. 15	Mar. 8
Natnl. Bis. 7% pf.	†1.75	Feb. [illegible]	Feb. 8
Natnl. Grocers	.15	Apr. 1	Mar. 1
Do., $1.50 pf.	.37½	Apr. 1	Mar. 1
Natnl. Pete.	.01	Mar. 15	Feb. 28
Niagara Wire	.25	Apr. 1	Mar. 6
N. Scotia Pr. 6% p.	1.50	Mar. 1	Feb. 12
Noranda	1.00	Mar. 15	Feb. 15
Northern Trust	.80	Feb. 15	Feb. 1
Ogilvie Flour	.25	Apr. 1	Feb. 26
Do., 7% pfd.	1.75	Mar. 1	Jan. 25
Orange Cr. 70c pf.	.35	May 1	Mar. 30
Ottawa Lt. & Pr.	.15	Apr. 1	Feb. 20
Do., 5% pf.	1.25	Apr. 1	Feb. 20
Paymaster	.01	May 10	Apr. 10
Paton Mfg. 7% pf.	1.75	Mar. 15	Feb. 28
Do.	1.00	Mar. 15	Feb. 28
Paramount Pict.	†.50	Mar. 29	Mar. 8
Powell River	.30	Mar. 15	Feb. 19
Photo Engravers	.50	Mar. 1	Feb. 15
Power Corp. 6% p.	1.50	Apr. 15	Mar. 20
Do., 6% 2 pt. pf.	.75	Apr. 15	Mar. 20
Proprietary Mines.	.05	Mar. 8	Feb. 8
Prov. Transport	.25	Feb. 27	Feb. 8
Quebec Power	.25	Feb. 25	Jan. 24
Reg't Knit $1.60 pf.	.40	Mar. 1	Feb. 12
Do.	.40	June 1	May 1
Do.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 2	Nov. 2
Rolland Pap. 6% p.	1.50	Mar. 1	Feb. 15
Royal Bank	.20	Mar. 1	Jan. 31
Sarnia Bridge	.25	Mar. 15	Feb. 28
San Antonia	.10	Apr. 6	Mar. 6
Scythes	.19	Mar. 1	Feb. 21
Do., 5% pf.	.31½	Mar. 1	Feb. 21
Sher.-Wms. 7% pf.	1.75	Apr. 1	Mar. 8
Do., ord.	.15	May 1	Apr. 10
Simpson Ltd. "A"	.50	Feb. 25	Feb. 16
Do., 4½% pf.	1.12½	Mar. 15	Feb. 16
Shawinigan W & P.	.25	Feb. 26	Jan. 18
Silverw'd Dairies	.20+.10‡	Apr. 1	Feb. 28
Do., 40c pf.	.20	Apr. 1	Feb. 28
Silverwood (West.) 5% pfd.	1.25	Apr. 1	Feb. 28
Southern Can. Pr.	.20	May 15	Apr. 19
Do., 6% pr.	1.50	Apr. 15	Mar. 20
H. Simon & Son	.30	Mar. 1	Feb. 2
Do., pref. 5%	1.05½	Mar. 1	Feb. 2
Stand. Chem. pfd.	1.25	June 1	Apr. 30
Std. Chem. 5% pf.	1.25	Mar. 1	Jan. 31
Stan. Paving pf.	.31½	Apr. 1	Mar. 1
Stuart, D. A., Oil 80c. pf.	.20	Mar. 1	Feb. 15
Sylvanite Gold	.03	Apr. 1	Feb. 4
Thrift Stores 6½% pf.	8.93‡	Feb. 15	Feb. 8
Toronto Elevator 5½% pf.	.65	Mar. 7	Feb. 25
Un. Fuel 6% A p.	.75	Apr. 1	Mar. 9
Wabasso	1.00	Apr. 1	Mar. 16
Waite Amulet	.15	Mar. 8	Feb. 8
Walker-Good.	1.00	Mar. 15	Feb. 8
Do., pfd.	.25	Mar. 15	Feb. 8
Wellington Fire	1.75	Feb. 15	Feb. 12
Do.	1.75	Aug. 15	Aug. 12
Weston, G., 4½% p.	1.12½	Mar. 1	Feb. 15
Woods Mfg. Co.	.50	Mar. 30	Feb. 28
Wright-Harg.	.05	Apr. 1	Feb. 21

†N. Y. funds.
*Extra.
‡Subject to approval of Foreign Exchange Control Board.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.04	$12.18	$11.22
Hogs	19.13	19.22	17.50
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	107.1	106.8	104.9
Dow Jones	107.70	107.00	95.87
Fishers	116.4	116.7	114.5
Monthly Indices			
Canada (D.B.S.):			
Retail (Jan.)	119.1	120.1	118.6
W'sale (Nov.)	107.2	104.2	86.0
U. S. (Oct.)	105.9	105.2	104.1
Gt. Brit. (Oct.)	169.4	169.6	166.7

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee. Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.38
Can. Int. Trust	4.50	4.95
Can. Invest. Fund	5.00	5.55
Can. Investors	8.00	9.00
Commonwealth Int.	4.05	4.45
Corporate Inv.	9.15	9.85
Trans-Canada (A)	14.5*	...
Do. (B)	...	14.20

Company Meetings

1946	Company	Place
Feb. 25	Montreal Life Ins.	Montreal
Feb. 25	Trusts and Guarantee	Toronto
Feb. 26	Maple Leaf Gardens	Toronto
Feb. 27	Davis Leather	Toronto
Feb. 27	Guelph Trust	Guelph
Feb. 28	Amalgamated Oils	Calgary
Feb. 28	Bell Telephone	Montreal
Feb. 28	Bruck Silk Mills	Montreal
Mar. 8	Fidelity Insurance	Toronto
Mar. 13	Prudential Trust	Montreal
Mar. 13	Woods Manufacturing	Montreal
Mar. 15	Abitibi Power & Pap.	Toronto
Mar. 18	Howe Sound	Portland, Me.
Apr. 24	Western Grocers	Winnipeg

DIVIDEND NOTICES

Chartered Trust and Executor Company

DIVIDEND

NOTICE is hereby given that a dividend of 1¼% has been declared on the paid-up Capital Stock of the Company for the quarter ending March 31st, 1946, payable April 1st, 1946, to shareholders of record at the close of business March 15th, 1946.

By Order of the Board.

E. W. McNEILL, Secretary.

Dated at Toronto, January 24th, 1946.

PRESTON EAST DOME MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 26

NOTICE is hereby given that a quarterly dividend of three cents per share has been declared on the issued Capital Stock of the Company, payable in Canadian funds, April 15th, 1946, to shareholders of record at the close of business on the 15th day of March, 1946.

By Order of the Board.

L. I. HALL, Secretary-treasurer.

Toronto, February 15th, 1946.

Canadian Pacific Railway Company

DIVIDEND NOTICE

At a meeting of the Board of Directors held today a dividend of three per cent (seventy-five cents per share) on the Ordinary Capital Stock in respect of, and out of earnings for, the year 1945, was declared payable in Canadian funds on March 30, 1946, to Shareholders of record at 3 p.m. on February 25, 1946.

By Order of the Board,

FREDERICK BRAMLEY, Secretary.

Montreal, February 11, 1946.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable MONDAY, THE FIRST DAY OF APRIL next, to Shareholders of record at the close of business on the Fifteenth day of March 1946.

By order of the Board.

Walter F. Watkins, Secretary.

TORONTO, February 13th, 1946.

MACASSA MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 43

Notice is hereby given that a dividend of Three (3c) Cents per share has been declared on the issued capital stock of this company for the quarter ending March 31st, 1946, and will be paid in Canadian Funds on March 15th, to shareholders of record February 20th, 1946.

By order of the Board.

E. W. VANSTONE, Secretary.

Toronto, February 15th, 1946.

The Great West Saddlery Company Limited

6% Cumulative First Preference Stock ($50 Par Value)

6% Cumulative Second Preference Stock ($50 Par Value)

A dividend at the rate of six per cent (6%) per annum, being the accumulated dividend for the three months ending March 30th, 1946, on the First and Second Preference Stock, has been declared and authorized to be paid on March 30th, 1946, to all First and Second Preference Shareholders of record with the Transfer Agents of the Company at the close of business on February 28th, 1946.

By Order of the Board,

J. C. BROADFOOT, Secretary.

Winnipeg, Man., February 15, 1946.

THE WABASSO COTTON COMPANY, LIMITED

NOTICE OF DIVIDEND

A quarterly dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of THE WABASSO COTTON COMPANY, LIMITED, payable on the 1st April, 1946, to shareholders of record as at close of business on the 16th March, 1946.

By Order of the Board,

H. W. CAPEL, Secretary-Treasurer.

Montreal, Que., 14th February, 1946.

MacKinnon Structural Steel Co. Limited

DIVIDEND NOTICE

NOTICE IS HEREBY given that a dividend of one and one-quarter per cent. (1¼%) has been declared on the 5% Cumulative Sinking Fund Redeemable Preferred Stock of MacKinnon Structural Steel Co. Limited, payable March 15, 1946, to shareholders of record February 28, 1946.

By Order of the Board of Directors.

J. G. SCORER, Secretary.

Montreal, February 15, 1946.

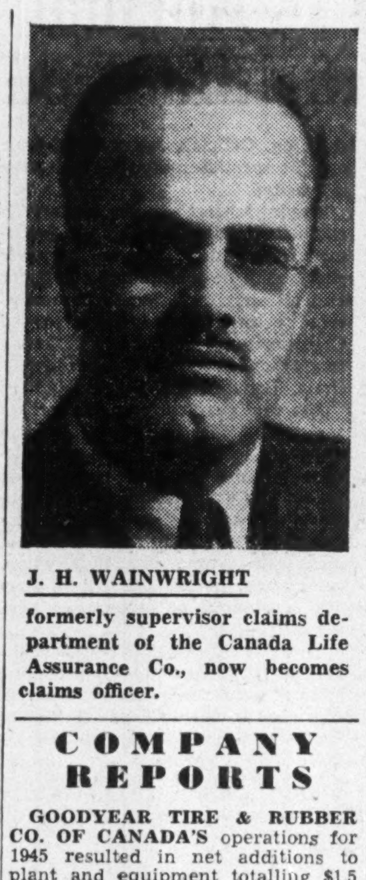
SILKNIT LIMITED

Dividend Notice

Notice is hereby given that a dividend of 1¼% (50c) per share has been declared on the 5% Cumulative Preference Shares of $40 Par Value of the Company, payable on the 15th day of March, 1946, to Shareholders of Record, Friday, the 1st day of March, 1946.

By Order of the Board,

H. T. BURGESS, Secretary.



J. H. WAINWRIGHT

formerly supervisor claims department of the Canada Life Assurance Co., now becomes claims officer.

COMPANY REPORTS

GOODYEAR TIRE & RUBBER CO. OF CANADA'S operations for 1945 resulted in net additions to plant and equipment totalling $1.5 millions; increase in working capital $76,901 and increase in other assets, $37,344. For these purposes they had $3 millions available, of which net profits represented $1.4 millions and depreciation reserve $1.6 millions.

According to President A. G. Partridge, natural rubber supplies are expected to increase in 1946; but continued use of a large percentage of synthetic rubber in manufacture of all rubber goods will continue necessary, as available stock is still far short of requirements. Enough synthetic rubber is produced in Canada to supply all demands, according to the president, although there is need for expansion in rayon yarn production.

Operations were substantially at capacity in 1945. Reconversion has been largely finished. Adequate provision is believed to have been made for renegotiation and adjustments under government controls now in process of settlement but refundable EPT may be changed on completion of these negotiations.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Operating profit	$4,851,607	$4,936,852
Less: Deprec.	1,608,973	1,187,699
Inc. tax‡	1,856,675	2,396,353
Net profit	1,385,959	1,352,800
Less: Pref. divd.	280,772	287,368
Com. divd.	1,093,355	1,286,300
Surplus for year	11,832	*220,868
‡Incl. ref. EPT	176,258	228,155
*Deficit.		
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$12.70	$11.80
Incl. ref. EPT	14.31	13.79
Paid	2.50	2.50
Com.: Excl. ref. EPT	4.30	4.14
Incl. ref. EPT	4.98	5.03
Paid	2.50+1.75	2.50+2.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$2,777,958	$2,175,826
Accts. rec.	3,069,893	3,468,002
Inventories	7,043,308	5,491,635
Total curr. assets	12,891,159	11,135,463
Misc. assets▲	1,071,631	1,088,842
Fixed assets•	4,834,619	4,981,969
Total assets	18,797,409	17,206,274
Total curr. liab.	3,364,601	1,685,806
Contingent res.	500,000	500,000
Capital stock	5,586,730	5,862,480
Capital surplus	463,068	463,068
Surplus▲	8,883,010	8,694,920
▲Incl. refund. EPT.	786,578	610,320
•After depr. of	12,407,910	10,972,790
Working capital	9,526,558	9,449,657

GENERAL TRUST OF CANADA for 1945 shows gross earnings practically unchanged. Net profit at $68,648 ($73,916 in 1944) was reduced as realized capital profits in 1945 declined by $6,571 from the previous year's total. Dividend payments on the 5% preferred totalled $55,000, as in 1944.

In the year 1945 total assets under General Trust Co. administration increased by $7 millions, or 7% to $111,928,088; book value of assets also rose 7%; safe custody account rose 5.3% while guaranteed account declined 2.8%. Profit and loss account was increased by $13,648 to $75,869.

BUILDING PRODUCTS LTD. for 1945 reports net earnings up 15.1% from 1944; but with depreciation and tax charges up 18.4%, net profit showed only a fractional increase. Partly due to the sale of $1 million in debentures, assets were up 39.5% and working capital was up 30.5%.

President McNeil predicts that sales in 1946 will remain at high levels, as the number of new houses to be built in 1946 is expected to exceed the 1945 level. It is in the field of house construction that the company finds one of its best markets.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$1,680,096	$1,459,216
Less: Deprec. res.	160,675	124,802
Debenture int.	13,179	......
Prov. for taxes‡	1,171,000	1,000,000
Net profit	335,242	334,414
Less: Com. divds.	314,200	290,030
Surplus for year	21,042	44,384
‡Inc. refund. EPT.	189,354	155,334
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.69	$0.69
Incl. ref. EPT	1.09	1.01
Paid	0.65	0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds	$1,947,516	$1,406,192
Accts. rec.	‡950,108	581,764
Inventories	858,986	736,453
Total curr. assets	3,756,610	2,724,409
Misc. assets▲	624,310	431,877
Fixed assets*	1,480,851	1,045,761
Total assets	5,861,771	4,202,047
Total curr. liab.	1,312,846	852,486
Funded debt	1,000,000	......
Reserves	401,575	398,939
Capital stock	1,483,110	1,483,110
Surplus▲	1,664,240	1,467,512
‡Includes $251,274 est. fire damage claim.		
*After depr. of	1,638,697	1,482,516
▲Inc. refund. EPT.	556,269	366,915
Working capital	2,443,764	1,871,923

TWIN CITY RAPID TRANSIT CO. showed total operating revenues for 1945 at $15.8 millions, up 4.92% from 1944, a new company high. Though net earnings were down 2%, due principally to higher labor and material costs, distributable earnings were up 12%, as depreciation was reduced by 5% and bond interest by 56%, representing savings on refunding operations effected in the fall of 1944.

The company largely eliminated dividend arrears on the preferred stock, without depleting cash. This will enable the company, according to President Strouse, to have proportionately more cash available for modernization of equipment and facilities. Fifty new streetcars and 40 buses have been ordered for 1946 delivery. No new streetcars were received in 1945.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$4,902,976	$5,015,264
Less: Deprec.	1,392,299	1,460,958
Fd. debt int.	309,863	549,954
Misc. debits	5,140	13,818
Bonds amort.	13,528	37,359
Net loss on prop.	1,076	1,173
Fed. inc. taxes	2,248,156	2,119,902
Net profit	932,914	832,100
Less: Pr. pf. divs.	50,560	
2nd pf. divs.	5,311	210,000
7% pf. divs.	157,500	
Surplus for year	719,543	622,100
Times Interest Earned:		
Before deprec.	15.82	9.12
After deprec.	11.33	6.46
Earnings per Share and Dividend Record:		
7% pref.: Earn.	*	$27.74
Paid	$7.00	7.00
5% prior pref.:		
Earned	†10.37	......
Paid	0.62½	......
Common: Earn.	†3.22	2.83
No dividends paid.		

*Exchanged for 2nd 7% pref. Sept.; latter exchanged for 5% prior pref. on 3 for 1 basis. †Based on 90,000 5% prior pref. to be o/s on completion of exch.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & U. S. notes	$2,392,309	$2,082,253
U. S. treas. cert.	3,250,000	1,750,000
Accts. rec.	64,846	40,158
Inventories	719,164	726,095
Total curr. assets	6,426,319	4,598,506
Misc. assets	755,884	683,325
Misc. invests.	675,002	678,502
Fixed assets	54,985,173	55,039,112
Total assets	62,842,378	60,999,445
Total curr. liab.	3,982,848	3,337,135
Funded debt	8,200,000	8,600,000
Depreciaiton res.	21,476,047	20,650,888
Other reserves	940,173	951,330
Unred. tickets, etc.	394,185	335,093
Capital stock	13,848,250	14,000,000
Capital surplus	6,470,475	6,318,725
Surplus	7,530,400	6,806,274
Working capital	2,443,471	1,261,371

LAURENTIAN LIFE ASSURANCE CO. reports a gain of 29% in total business in force to $24.6 millions at the end of 1945. Assets, income and new business were also higher. The company is now licensed to do business in Ontario, Quebec and New Brunswick.

	1945	1944
Business in force	$24,597,661	$18,965,172
New business	6,631,534	5,168,203
Total income	601,512	450,742
Assets	1,368,250	1,025,447
Total liabilities	978,194	664,185
Policy reserves	893,017	617,855
Interest earned	3.74%	3.82%

INDUSTRIAL LIFE INSURANCE CO. in its annual report for 1945 shows a gain of $14.8 millions in business in force to $92.4 millions. Total assets increased 27%.

The company's business issued during the last four years is on a 3% interest earning basis and it is planned to bring the rest of its business to the same basis, instead of 3½% as at present. The company plans to extend operations into Ontario this year.

	1945	1944
Insurance in force	$92,469,055	$77,620,163
New insurance	23,414,498	21,111,000
Total income	3,097,477	2,637,591
Paid p'holders & benef.	406,532	356,253
Added to p'holders res.	1,509,272	897,345
Assets	7,536,262	5,907,967
Free surplus	105,000	90,000
Interest earned	4.65%	4.93%

SOVEREIGN LIFEE ASSURANCE CO. reports increases in business in force, assets, income and payments to policyholders in 1945. The rise in business in force is attributed in the annual report, to the low level of terminations due to lapses and surrenders.

	1945	1944
Insurance in force	$60,178,779	$52,578,007
New insurance	11,185,722	9,333,571
Total income	2,656,738	2,402,781
Paid p'holders res.	627,142	569,432
Added p'holders res.	1,052,145	956,484
Divds. to sh'holders	10,500	10,500
Liabs. to p'holders inc. actuarial res.	11,963,924	10,811,966
Liabs. to sh'holders	222,070	221,570
Other liabs.	127,528	59,346
Total assets	12,544,012	11,320,690
Net surplus	230,490	227,807
Int. earned	4.82%	5.50%

NATIONAL SEWER PIPE CO. for the year ended Oct. 31, 1945 had a net loss on operations of $12,300 ($37,962 in 1944) but through interest received on investments and call loans the company's deficit was reduced $19,531. Capital surplus increased as a net profit of $21,130 was realized on bond sales.

President New stated that the possibility of the company being able to market its products at prices sufficient to show a satisfactory profit was problematical in 1946, although new methods of processing now under development would help to accomplish this. This company, according to the president, has filed a brief with the Trade and Tariff Committees requesting that there be no reduction in existing customs tariff rates on sewer pipe, etc.

INCOME ACCOUNT

As at Oct. 31:	1945	1944
Oper. loss	$12,300	$37,962
Less: Other rev.	31,831	24,006
Net profit	19,531	*13,956
*Loss.		
Earnings per Share and Dividend Record:		
Cl. "A": Earned	0.70	d$0.50
Common: Earned	d0.89	d1.51
None paid on either class of stock.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1945	1944
Cash & call loans	$204,348	$185,416
Invest. cost	810,987	707,738
Accts. rec.	63,645	63,566
Inventories	63,335	117,086
Total curr. assets	1,142,315	1,073,806
Def. char[illegible]	3,764	4,671
Inv. & adv. assoc. co.	194,271	170,798
Fixed assets†	613,635	656,201
Total assets	1,953,985	1,905,476
Total curr. liab.	37,417	29,568
Capital stock	1,802,474	1,802,474
Capital surplus	287,290	266,161
Deficit	173,196	192,727
†After depr. of	1,380,686	1,340,187
Working capital	1,104,898	1,044,238

INTERNATIONAL PAPER CO. has declared an initial dividend of 59 cents on common payable March 30 to stock of record March 8, also regular quarterly dividend of $1.25 on the preferred, payable March 30 record March 11. The company will redeem $10 million par value of cumulative convertible 5% preferred stock on April 4 at 102 and accrued dividend, the shares redeemed to be selected by lot from list of record Feb. 25. Each share of preferred in convertible into 2½ shares of common, and preferred shares called for redemption may be converted into common until the redemption date.

Insurance
W. H. BOSLEY AND COMPANY
REAL ESTATE BROKERS
Properties
SOLD • RENTED • MANAGED AND APPRAISED
WA. 1931
28 ADELAIDE ST. W. TORONTO

NOTICE

Imperial Tobacco Company of Canada, Limited

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Ordinary General Meeting of the Shareholders of Imperial Tobacco Company of Canada, Limited, will be held at the Head Office of the Company, 3810 St. Antoine Street, Montreal, Canada, on Tuesday, the 19th day of March, 1946 at ten-thirty o'clock in the forenoon.

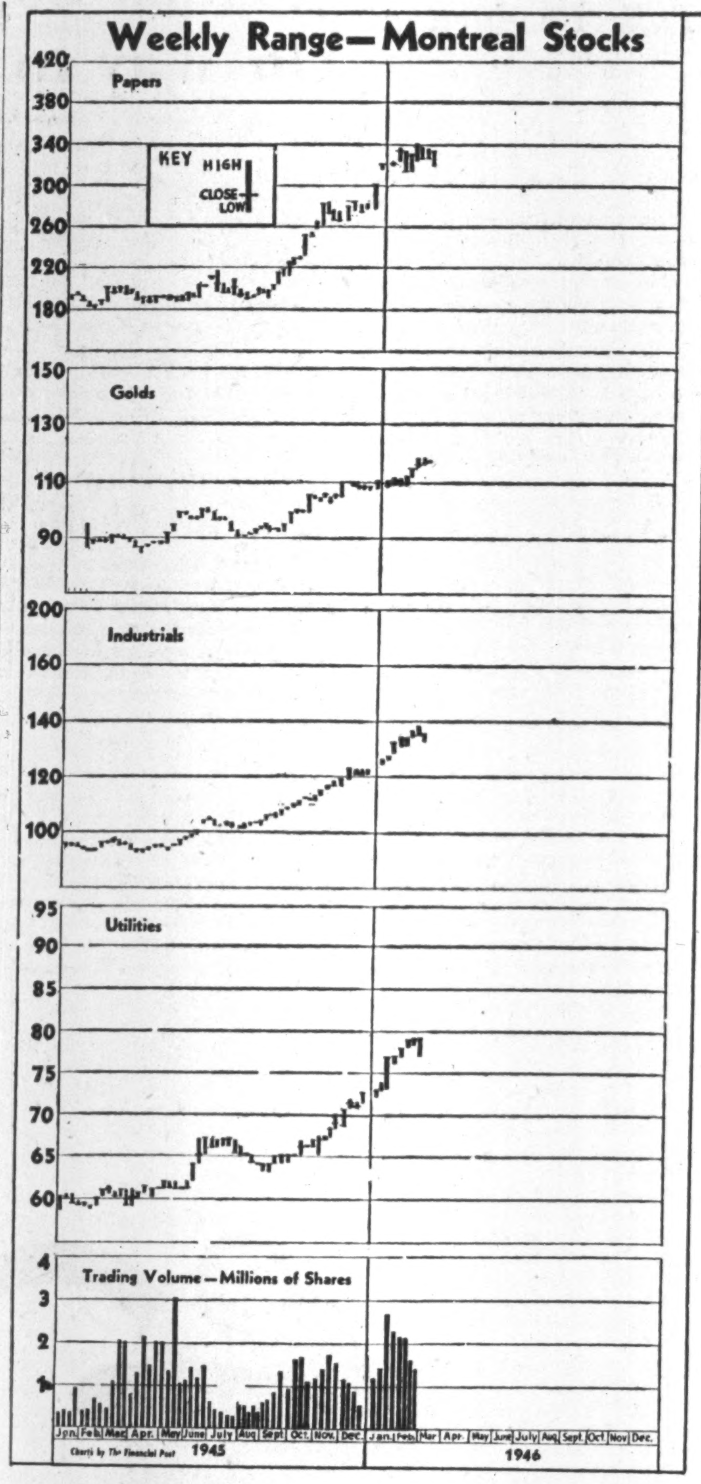
Notice is further given that the said General Meeting will be Special for the purpose of considering and, if thought fit, sanctioning and confirming Special By-law "F" of the Company repealing and re-enacting By-law 80 of the Company so as to provide that any person appointed a Director to fill a vacancy in the Board of Directors shall hold office for the remainder of the term for which the Director whom he replaced was elected or appointed.

Dated at Montreal, this 15th day of February, 1946.

By Order of the Board,

A. L. ROBERTSON, Secretary.

GLOBE
BULL DOG GUMMED
ENVELOPES



Market Comment

For the first time in several years volume this week, far from drying up at lower market levels, increased considerably at New York. At midweek the recession had all the earmarks of a sizeable market correction. The Canadian board, resistant and with decreasing volume, followed the U. S. lead.

Two things stand out in this most significant week:

1. The market inclination to push sharply upward on announcement of settlement of steel strikes.
2. The subsequent sharp drop early this week as full significance of President Truman's Wage-Price policy plus the appointment of hold-the-price-line Chester Bowles as Stabilization administrator, came home to investors.

The Canadian market went up and then down along with New York after a short-lived but spirited resistance on Tuesday of this week.

Expressed U. S. intention to hold prices on levels consistent with 1936-39 earnings draws unfavorable comparison on many current price-earnings ratios.

Many investors who up to now have maintained a continuous market position in many issues, generously discounting all the disturbing market factors in hopes of ultimate high industrial earnings, are now taking sizeable profits and reverting to the sharper "cat-and-mouse" market tactics of "special situations."

Controlled inflation almost ceases to be inflation from the standpoint of the stock market but how long and how effective controls will be remains one of the most vital questions for the investor.

• • •

Barron's: The Trader (New York) Near-future earnings, always the most vital and fundamental force in shaping stock prices, become most important at a time like the present when stocks are actually selling at a greater ratio to the earnings of the past year, than was the case in 1929 or 1937. Compared with a 19.6 ratio at the 1929 peak and an 18.0 ratio in 1937, the Dow-Jones industrial share average at its 1946 peak of 207 was selling at over 19 times the probable average earnings for 1945 of the 30 industrial stocks which comprise that index.

At a time when industrial earning power of the past year is being capitalized at a record high ratio, and when current earnings are in an eclipse which, by virtue of the new wage-price program, promises to end none too rapidly, stocks are being supported by two factors, viz., an inflationary psychology and easy money. But it has too often been demonstrated in the past that psychology exercises its most potent influence at the top and bottom of major price swings; that high money rates cannot prevent rising prices if earning power is in ascendancy, and that, contrariwise, cheap money cannot avert a downswing if earning power is receding.

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New Highs and Lows

During the week ended Feb. 19 there were 75 new highs recorded among the "general" stocks traded on Canadian stock exchanges and three new lows. In the mining group there were 11 new highs and 14 new lows. There was one new high and one new low recorded by the oil stocks.

GENERAL

New Highs—1945-46

Aluminium, c.
Banque C. Nation.
Bank of Montreal
Beatty Bros. "A"
Do., "B"
Belgium Glove, c.
Blue Top Brew. B
Brantford Roofing
Brown Co., pf.
Caldwell Lin. 1 pf.
Canada Iron
Do., pref.
Can. Packers "A"
Do., "B"
Can. Perm. Mtge.
Canadian Bronze c.
Can. Car pf. (new)
Canadian Vickers
Do., pref.
Can. Celanese, c.
Canadian Tire
Can. Pac. Rlwy.
Can. Industries B
Can. Oil 8% pf.
Do., 5% pf.
Cons. Div. Sec. pf.
Cons. Gas
Can. Paper Box c.
Cosmos Imperial
Crown Cork & Seal
Davis Leather B
Dom. Scot. Inv. c.
Do., pref.
Dom. Textile pf.
Freiman, A. J., c.
Gt. Lakes Pap. c.
Do., pref.
Do., com. V.T.
Gt. West Life
Halifax Insurance
Huron & E. Mtge.
Indust. Accept. A
Interml. Bronze c.
Do., pref.
Jamaica Pub. Ser.
Loblaw "A"
Do., "B"
McBrine
Mercury Mills
Mon Knit, new c.
Montreal Cot. c.
Montreal Loan
Ogilvie com.
Ogilvie Flour, pf.
Page Hersey, new
Peoples Cred. Sec.
Power Corp. 1 pf.
Do., 2nd pf.
Prov. Transport
Purity Flour pref.
Russell Ind., c.
standard Chem. p.
Stedman's, c.
Stowell "A" pf.
Thrift Stores, c.
Toronto Elevat. c.
Toronto Iron "A"
Tor. Gen. Trust
Tor. Mortgage
Twin City, c.
United Steel
Walker-Good. pf.
Weston, Geo., new 4½% pf.
Windsor Hotel
Wood, Alex. & James pf.
York Knit. c.

New Lows—1945-46

Belgium Glove pf.
Can. Convert. A
Nuclear Ent., c.

MINING

New Highs—1945-46

American Y.K.
Buffalo R. L.
Bulolo Gold
Cariboo
Congress
Lunward
Rice Lake
Surf Inlet
Sylvanite
Thurbois
Upper Canada

New Lows—1945-46

Anglo-Rouyn
Beaucourt
Bonville
Elderidge
Fontana
Goldoro
Indian Lake
Lunward
Pen-Rey
Pitt Gold
Richmac
Rush Lake
Sannorm
Standard Gold

OILS

New Highs—1945-46

Calmont

New Lows—1945-46

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Kerr-Addison Hopes to Lift Tonnage Reaching Mill Capacity By Year End

Gradual but persistent improvement in operations is being experienced by Kerr-Addison Gold Mines and the official hope is that the company will be back to capacity operations by the end of this year, The Financial Post is informed.

From a labor supply low of 280 men, the company realized an improvement to 409 men by the end of 1945 and since then the crew has built up further to a total of 430 men. More men continue to be secured and, since the housing situation is not as serious as in Rouyn and Val d'Or farther east, it is expected that the crew will gradually come back to normal.

Treat 1,350 Tons Daily

Milling rate is reflecting improved conditons and an average of 1,350 tons of ore daily is being put through the mill compared with an average of only 1,128 tons daily in the June quarter last year when labor shortage was at its worst. In the final quarter of December, an average of 1,274 tons daily was treated.

While production has shown a distinct improvement and average recovery was up to $8.03 a ton in the last quarter of 1945, the greatest effect of the improvement in labor supply is the stepping up in the development program.

Use 700 Men Normally

The 430-man present crew is still well below the 700 men that Kerr would normally have on its payroll, but even this crew can make considerable progress in "catching up" with development which had to be curtailed some time ago.

Disposition in official circles appears to be that any talk of expansion should be deferred until operations are back to normal. But there appears to be no question that work in the past year has placed the company in a position where future expansion appears a strong possibility if not an actual likelihood. The chief uncertainty appears to be more as to when such an expansion might take place—and the size of expansion.

It will be recalled that in the latter part of 1945, The Post reported that at the 1,450-ft. level, there were indicated 13,458 tons of ore to the vertical foot averaging 0.2513 oz. to the ton across an average width of 41 ft. On the 2,500-ft. level, it was reported that there were 11,342 tons outlined by drilling to the vertical foot, averaging 0.244 oz. gold.

It has been possible to speed up inter-level drilling with more manpower available but work is not sufficiently far advanced to provide any final figures on tonnage of ore to be expected on the 1,600, 1,900 and 2,200-ft. levels. However, as far as work has proceeded, it has proved the continuity of ore measures from the 1,450 to 2,500-ft. horizon. It is now regarded as a fair certainty that ore reserves of 20-25 million tons can be expected down to the 2,500-ft. level.

Even if the milling rate comes back from the present 1,350 to 2,100 tons daily by the end of this year and proved ore reserves experience the major expansion indicated, a number of factors must be weighed in any consideration of expansion.

If the company is to treat the 4,000 tons daily often mentioned as being justified by existing ore exposures, it is obvious that a major development program will have to be completed to turn out 4,000 tons of ore a day from the mine workings—a daily tonnage exceeded by only Hollinger itself.

But Kerr-Addison already has its workings down to the 2,500-ft. horizon. The development program involved should be one not so much of shaft sinking and crosscutting but of drifting, raising and preparation of stopes for the big block of levels hardly touched between 1,450 and 2,500 ft. Fortunately, the Kerr-Addison has not been a "trouble mine." Carrying out such a program presents no great difficulties granted requisite labor and time.

Working Capital Strong

From the standpoint of finances "Kerr" appears in an excellent position for expansion—when conditions warrant. At the beginning of 1945, working capital totalled $3.6 millions. While dividends of 30 cents a share in 1945 exceeded net profits by about nine cents a share, working capital may nevertheless have increased during 1945 as operating earnings after taxes exceeded dividends by over $60,000; capital expenditures are not believed to have been high.

Even milling at full capacity, before any expansion takes place, it is possible earnings may establish a new record. Average grade of ore indicated at the 2,500-ft. horizon works out at $9.39 a ton at $38.50 gold—against $7.72 average for ore reserves above 1,450 ft.

Inter. Uranium Talks Production

David Smith, mine manager, International Uranium Mining Co., was scheduled to arrive in Edmonton from the company's property on Feb. 20 in order to complete purchase of supplies and equipment necessary to place the mine in production again, J. H. Greenberg, vice-president, informs The Financial Post.

Mr. Smith is expected to leave for the property at Contact Lake immediately after spring break-up. In the meantime equipment loaned to Eldorado is being returned, it is stated. Following his original appointment as mine manager in November, Mr. Smith took an advance crew of nine men into the property to complete preliminary surface and underground exploration.

Roxana Log Is Normal On Way to the Madison

Drilling of initial well of Roxana Oils Co. is now down 2,600 ft. and the way formation has been logging so far, suggests the Madison limestone might be reached at 6,000-7,000-ft. horizon, The Financial Post is informed.

The Keystone Valley test has passed through two faults as anticipated, and has reached the Lower Benton.

The Blairmore is expected to be reached within the next 900 ft. of drilling where there is the possibility of making the first major gas showing. Officials say a third fault may be encountered before objective is reached.

The initial test is being made with cable tool rather than rotary equipment, in order that an accurate check may be maintained of all gas and oil showings. Drilling encountered a small flow of gas in the Cardium sandstone at 890 ft. and a larger flow in second Cardium sandstone, between 1,990 and 2,000 ft.

The first gas flow was shut off by a string of 16½-in. casing run and cemented to 1,450 ft. The second gas-bearing zone was still open at last report and was making gas continuously without any apparent reduction in volume. The flows were not measured to determine if they had commercial possibilities, but they are considered of importance geologically.

The company had expended $91,171 up to Dec. 31, 1945, including costs of cable tool and construction of a road to the well site. Sufficient funds are reported available to complete drilling program.

Regcourt Plans To Sink a Shaft

With $140,000 additional assured through a commitment on 400,000 shares, Regcourt Gold Mines plans to sink a shaft for underground development as well as continuation of its drilling program, The Financial Post is informed.

It is the intention to open up underground the gold-bearing zone in the northeast sector of the property indicated by extensive diamond drilling during the past year. A number of intersections of good commercial ore were secured in the 28 holes drilled which though difficult to correlate lead the management to believe that underground work will establish an ore body.

Currently drilling is being directed to explore the contact zone formed by the eastern extension of the Buffadison-Bevcourt stock the nose of which has been located in the eastern part of Regcourt about 1½ miles southwest of the drilled area. Hopes are held that the conditions productive of ore on the adjoining properties will be found in this work.

RICH GROUP YELLOWKNIFE MINES anticipates completing dewatering its shaft this year, in order to make a systematic check of underground workings. A program may also be mapped out for further exploration of the Hi-Grade shaft vein. In the past season some 17 drill holes were completed, but no shearings were cut and only minor amounts of quartz. The company has acquired a 15% interest in Redpointe Gold Mines.

KENCOUR GOLD MINES completed drill hole 15 at depth of 806.8 ft., intersecting 40 ft. of rhyolite showing quartz tourmaline stringers with some pyrite and chalcopyrite mineralization. Joint drilling along west boundary with Orcour Gold Mines was completed.

Bevcourt Lets Shaft Contract

$400,000 Made Available to Finance Proposed Underground Program

A contract has been let for sinking of a shaft to a depth of 750 ft. at Bevcourt Gold Mines with six levels to be opened up, The Financial Post is informed. Miners Inc. has secured the shaft-sinking contract and J. Lorne Jowsey, formerly of Aunor, has been appointed mine manager.

Work is to be gone ahead with at once, using Diesel power pending arrival of electricity around May 1.

Bevcourt's drilling—about 30,000 ft.—yielded some quite high intersections, and has established an ore zone extending for 2,000 ft. eastward from the Buffadison line to a north-south trending diabase dyke. Some further exploratory drilling is under way now with two drills working on cross-sectioning the granodiorite contact which extends from Buffadison into Bevcourt to the south of the drilled section. Some 3,500 ft. of drilling is to be done here.

Bevcourt Gold Mines' treasury has received an additional $100,000 in cash through the sale of treasury stock to Nipissing Mines, God's Lake Gold Mines, International Mining and O. F. Howe, Ottawa. A further $75,000 has been pledged by the same group if required. With approximately $225,000 previously in the treasury, the company is assured of $400,000 to carry out its shaft sinking and underground development program.

MINING CONCENTRATES

AUBELLE MINES reports 3-compartment shaft deepened to 500 ft. and cutting of fourth level station commenced. A quartz porphyry dike appeared in shaft from 440 to 500 ft. Drifting in No. 1 vein on 500-ft. level and crosscutting to vein on 250-ft. level are scheduled to start immediately.

* * *

ALBANY RIVER GOLD MINES completes sale and transfer of assets to Pickle Crow Gold Mines for 136,850 shares. Each shareholder entitled to 1 Pickle Crow for each 10 shares of Albany River, as well as cash equal to 40 cents (Can. funds) for each one tenth part of a share of Pickle Crow (fractional). Shareholders are requested to forward certificates to Trusts & Guarantee Co., Toronto, transfer agents.

* * *

BONVILLE GOLD MINES states drill holes 24 and 25 stopped at 303 and 671 ft., respectively. The former cut a 12-ft. vein of dark bluish quartz which carried fine pyrite mineralization and minute quantities of sphalerite and galena. The latter cut a number of small quartz stringers and silicified sections.

* * *

CENTRAL MANITOBA MINES has sold its 50 claims in Central Manitoba district for $50,000. The property had been idle since 1937. Company anticipates drilling its Island Lake and Wallace Lake properties shortly. Cash, bonds and other securities are currently valued at $309,900.

* * *

CROWSHORE PATRICIA GOLD MINES reports progress in construction of buildings preparatory to installation of permanent plant machinery to carry shaft from existing 30 ft. to 1,000 ft. Completion of power line is expected around end of March.

* * *

DISCOVERY YELLOWKNIFE MINES reports completion of three more holes extending vein length drilled to 210 ft. Eight of nine holes completed are reported to show visible gold in core. High-grade surface section along east limb dragfold has not been drilled.

* * *

EAST SULLIVAN MINES reports two drills working main ore body with a third to be utilized to test favorable areas indicated by magnetometer survey. Completion of 38 drill hole has established main zone for 1,500 ft.

* * *

GOLDEN ARROW MINES has received payment on 150,000 shares at 45 cents a share. Issued capital—2,822,645 shares.

* * *

INDYKE GOLD MINES commences drilling gold-bearing quartz-porphyry dike on its Indin Lake property. First hole is located 150 ft. south of Indyke-Indian Lake boundary, in a position calculated to intersect greenstone-diorite east contact.

* * *

LEITCH GOLD MINES reports net profit of $42,522, or 1.5 cents a share in three months ended Dec. 31 ($42,934, or 1.5 cents previous quarter). Bullion production was $196,524, as against $154,875.

* * *

MINING RESEARCH CORP. has retained C. E. Chaffin, mining engineer, to supervise construction of smelter and refinery being erected by Silanco Mining & Refining Co., near Cobalt, Ont.

* * *

OBALSKI (1945) report preliminary development started on its Chibougamau property. Shaft has been dewatered preparatory to sinking to greater depth.

* * *

LABRADOR MINING & EXPLORATION CO'S ore deposits total 659,500 long tons per vertical foot of 62.1% iron plus manganese and 3.99% silica, according to 1945 report. Widths and reserves of Ruth Lake No. 3, Wishart Lake No. 1 and Ruth Lake Extension deposits increased.

Two new iron ore discoveries were made by prospectors, General Manager John Knox states. The one made at Knob Lake was trenched and test-pitted, but no work was done on Sunny Lake showing. Three new iron ore bodies, Ruth Lake Nos. 5 and 6 and Wishart Lake No. 2, were developed by test pitting close to known deposits. Surface work was done on one of three iron ore outcrops.

Current assets are $30,095 and liabilities $53,360. A total of $55,051 was expended on development.

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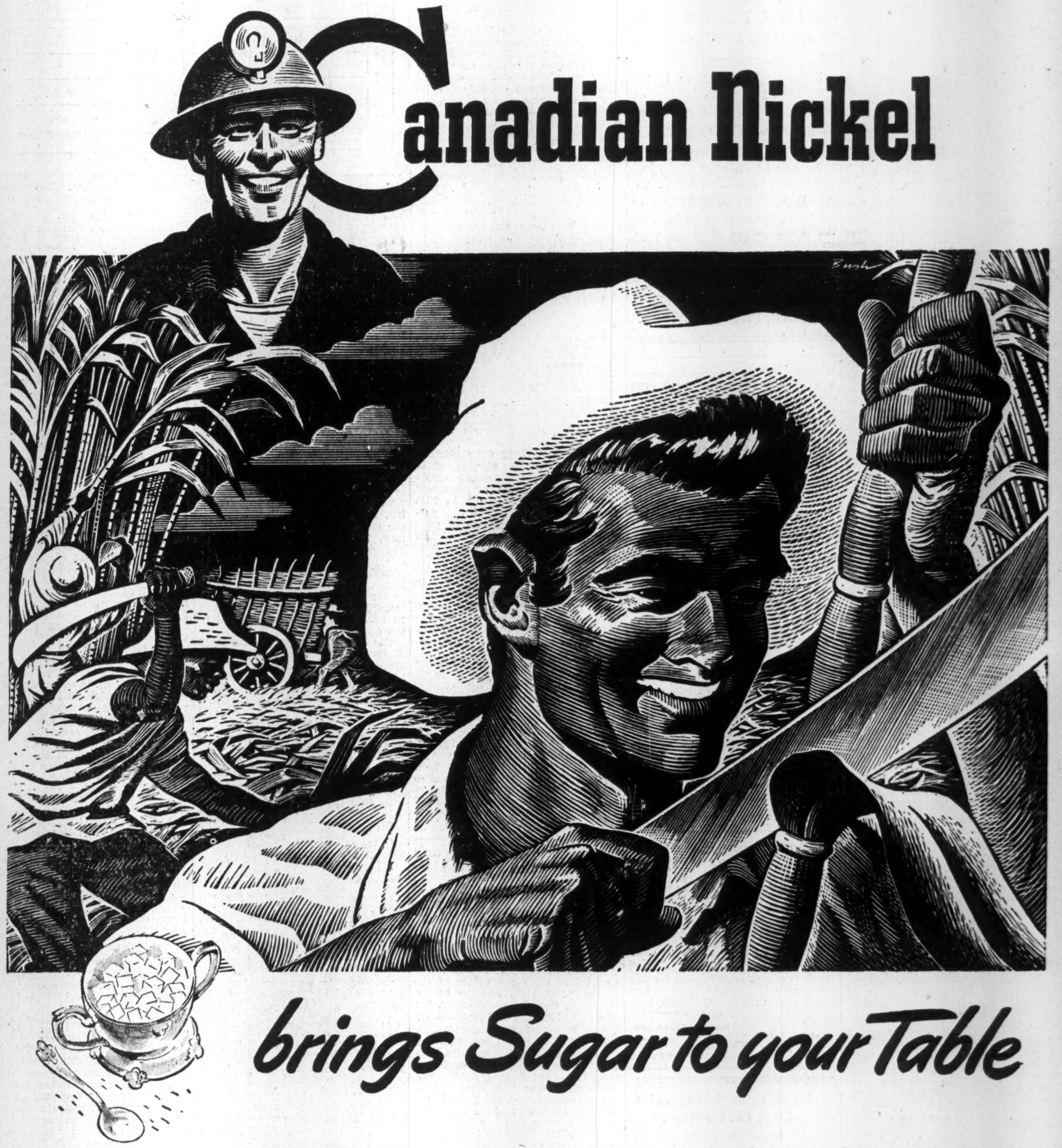

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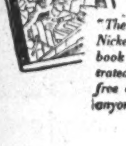

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Louvicourt Goldfield May Build Mill This Coming Fall - Resume Drilling

By GORDON M. GRANT

If the development program proposed can be kept on schedule, Louvicourt Goldfield may be one of the first of Canada's newly indicated gold mines to reach production.

While shaft sinking on Feb. 10 had only reached 52 ft. depth because early sinking had been slowed by quicksand, the shaft being put down has four compartments and the four-compartment size may play an important part in reaching production at an early date. It is hoped that lateral exploration can be undertaken from one compartment while shaft sinking is continued in two compartments. The development of ore bodies underground may get under way as early as April 15.

Mill Equipment Ready

It is quite possible actual mill construction will get under way this fall. The major part of all machinery for an initial milling unit of 600 tons daily capacity has been purchased and moved to the property. A complete power plant has been installed capable of handling at least 1,000 tons daily and hoisting equipment is good for 1,500 ft. depth. Permanent buildings to accommodate 100 men have been erected along with offices, warehouses, change building and necessary shops.

A total of 30,000 ft. of diamond drilling to date has indicated ore in a length of 2,000 ft. with the ore bodies in this length showing a total of 2,500 tons of ore to the vertical foot averaging about $6 a ton, depending on mining width employed.

Explore Other Anomalies

Previous work was confined to but a small part of the total favorable area as indicated by a geophysical survey. There is a length of 2,000 ft. to the west boundary beyond the 2,000-ft. ore section, half of which might possibly make ore in drilling. There are also anomalies indicated in an 1,800-ft. length in the southeastern part of the property which remains to be tested. And there are a number of anomalies near the east boundary with Lapaska.

In the course of the next few weeks, it is understood that one or more drills will be moved on to the Louvicourt property to resume diamond drill investigation of outside bets. Sections indicated above will come in for exploration.

The Louvicourt known ore zone is stated to lend itself to rapid and low-cost mining. Ore bodies stand nearly vertical, lie between sound walls and afford good mining widths. Presence of free gold in the ore, coupled with character of diamond drilling done, leads the company's engineers to anticipate an average grade considerably better than that indicated, according to President Pierre Beauchemin.

Further metallurgical tests on the ore are to be made, both at Ottawa and in the United States, supplementing work already undertaken by the Quebec Bureau of Mines and providing thereby, three separate analytical determinations. Upon completion of this work, flow sheet and plans for initial milling unit will be laid. Preliminary plans call for facilities to permit storage of three to four days' ore above ground at the shaft head, in the mill, etc.

Through purchase of a mining and milling plant from Lapa Cadillac Gold Mines, equipment purchases have been low. Equipment account at the end of 1945 was shown at $110,247. Exploration and development expense at the end of 1945 totalled $130,671. Administrative expense was $5,341; no salaries have been paid to any officials.

Balance sheet as at Dec. 31, 1945, showed current assets of $313,332 consisting chiefly of cash with 199,995 unissued shares under option to provide $149,996 when options are exercised. Company officials calculate that funds on hand, and to be received under the option agreement, will suffice to bring the enterprise to the production stage.

Osulake Gold Showings Get $100,000 Program

A substantial program of diamond drilling is planned to further investigate a gold discovery made some years ago in a new sector of Ontario, 45 miles northeast of Little Long Lac area, at O'Sullivan Lake, The Financial Post is informed.

A total of $60,000 has been placed in the treasury of Osulake Mines formed for development of the showings last October, McWatters Gold Mines and Toronto brokerage interests sharing the financing. A total minimum expenditure of $100,000 is planned.

Values Up to $72

Feature of previous work was the Miller vein which returned commercial intersections in trenching and shallow drilling over a length of 150 ft. in an area up to 75 ft. wide. The most westerly trench gave $21.95 over 12.0 ft. while one about 15 ft. east ran $55.82 over 8.0 ft.

About 25 ft. to the east and somewhat to the south, a drill hole gave $14.28 over 15.0 ft.

At 25 ft. further east again, further drill holes gave $24.25 over 5.0 ft. and $72.38 over 2.0 ft. Values further east were lower but at the extreme east end of the section, an assay of $21.56 over a foot was secured in a trench.

The area apparently represents a folded and shattered section and it is thought that exploration along the strike may find repetitions of these conditions which may perhaps return better results than those already secured.

Engineer's Report

In a report on the property George Dimitrieff, the company's consulting engineer, who is an operating official of a Little Long Lac producing mine, states in part as follows:

"This property is promising and the chances of finding additional similar structures (to the Miller vein) are good. The immediate area to the north and west of the folded area is cut by porphyry dykes and offers good prospecting. An indication is Hole 6A which cut a foot of $23.10 material to the collar. The Trout Island area offers good prospecting as the strike of the dyke is almost at right angles to the general strike of the area. This was probably caused by local folding and gold concentration can be expected to be found in the folded area."

A heavy drill is believed to have already reached the property and a light drill owned by the company is also to be used in prospecting. The heavy drill gives a 1 5/16 in. core against only a five eighths in. core for previous drilling. A few holes are to be drilled initially under the Miller vein to determine dip and rake of the ore and a long hole is to be put out in a northerly direction under the lake from the vicinity of hole 6A. A crew is on the property and camps are up.

Authorized capital of the company is 3.5 million shares with 1,450,000 shares outstanding including 300,000 shares recently sold at 20 cents a share. Options are outstanding to the financing group on 1,400,000 further shares at 20 cents to $1 a share to provide a further $677,500 if the options are fully exercised.

Say Osisko Lake Like "Oil Field"

A recent visitor in the Rouyn area says that the ice of Osisko Lake looks like an "oil field" so many drill rigs are dotted on it testing rock formations.

Altogether 15 drill rigs were noted in operation. Quemont leads the parade with seven. Noranda and Donalda adjacent each have two rigs at work, while Cheskirk, which has been securing values somewhat to the south, is operating with three rigs, a further rig having been added recently. Bagamac also has a drill in operation—the area's 15th.

No drilling boom comparable to the present one can be recalled in this particular area.

OIL PRODUCTION

Home Stakes Locations For Two Further Wells

From Our Own Correspondent

CALGARY—Home Oil Co. has staked locations for two new key tests of the "west lime uplift" in north Turner Valley. The new wells are: Home Millarville No. 22, L.S.D. 16 32-20-3w5; and Home Millarville No. 23, L.S.D. 7 5-21-3w5. Contractor for both wells is Drilling Contractors Ltd. Home No. 22 was slated for spudding this week while No. 23 will get drilling under way in the very near future.

Home No. 22 is located quarter of a mile due south of the Home-Millarville No. 19 producer, which topped the west lime uplift 3,939 ft. subsea at 8,041 ft.; quarter of a mile due west of Miracle Royalties No. 3, discovery west lime uplift well which found the lime 3,835 ft., subsea; and three eighths of a mile southwest of Alberta Oil Incomes No. 2 producer, which found the "main uplift lime" 4,254 ft. subsea. Home No. 23 is three eighths of a mile northwest of the Home No. 19 west uplift producer, and the same distance southwest of the Home No. 12 main lime producer.

This "west lime uplift," together with the "east side lime block," offers the brightest prospect for further extension of the Turner Valley field.

• • •

Deepen Home 20 Well

In the northwest extension area, Home is deepening to the lower porous section of the Madison lime at the Home-Millarville No. 20 wildcat, L.S.D. 7 24-21-4w5. This well, bottomed at 9,577 ft., after reaching the lime at 9,310 ft. and penetrating the upper porous, showed a small amount of oil and some water after acidizing the upper zone. Deepening is apparently primarily for geological information on nature of the lower porous in the area, 1½ miles northwest of the currently proven limits of Turner Valley. Meanwhile, Home-Millarville No. 21, some three miles northwest of No. 20 in L.S.D. 11 34-21-4w5, has been shut in after testing the upper and lower porous sections of the lime. Water showed. Bottom is at 9,972 ft., with Madison contact 9,582 ft.

Important result of the Nos. 20 and 21 drilling was confirmation of a ridge of limestone trending northwest from Turner Valley's proven limits, and west of the string of north extension wells previously drilled to depth without finding the lime. Knowledge gained might indicate limestone at shallower levels in the area, with attendant possibility of oil being obtained. Water in the lime at Home Nos. 20 and 21 has not necessarily eliminated the northwest extension.

• • •

Anglo-Can. Expands Work

The Anglo-Canadian Oil Co., one of the leading Alberta independents, announced that Stanley E. Slipper, Calgary Geologist, will supervise a large-scale program for the company this year on oil and gas reservations scattered through the central and northern portions of Alberta. With additional blocks expected to be added, Anglo-Canadian already has some 929,000 acres under lease or reservation for working this year. The exploration program—to involve geological, geophysical and drilling activity—will start as soon as weather permits—probably around April 1. Details will be given as arrangements are completed.

Holdings involved in the program at this stage are as follows: 483,000 acres in the Notikewin River area, on the northwestern Alberta plains, starting 40 miles north of the town of Peace River (rights in Twps. 90 to 95, Rges. 21 to 23w5); 178,000 acres in the Wabamun Lake area, on the central western plains, starting 30 miles east of Edmonton (rights in Twps. 50 to 52, Rges. 3 to 6w5); 188,000 acres in the West Viking area, on the central plains between Camrose and Viking (in Twps. 45 to 49, Rges. 15 to 17w4); 80,000 acres in the Elk Point area, on the east central plains 25 miles north of Vermilion (in Twps. 55 to 57, Rges. 4 to 6w4).

• • •

Get Nitro Blast Result Soon

The crew at Oil Well Reflow's Westflank No. 2 well, shot with 5,000 quarts of nitro on Feb. 4, pulled out the 3-in. tubing last week and commenced drilling through the bridge now sealing off the "shot" Madison limestone. The plug may be penetrated and results of the explosion determined in the next week or so.

Another pleasant memory for them!

In the coming summer we may expect hundreds of visitors from the States. For many of them a good time means lots of leisure for hikes—visits to historic sites, scenic beauty spots. Let's give them a friendly welcome—help make their stay as memorable as it can be!

IT'S EVERYBODY'S BUSINESS . . . it's good business!

Ontario profits almost as much from tourist business as from gold mining. It's up to each one of us to keep this business growing.

Every tourist dollar is shared this way: 1. Hotels; 2. Retail stores; 3. Restaurants; 4. Taxes, etc.; 5. Amusements; 6. Garages.

"Let's make them want to come back!"

PLANNING A HOLIDAY? Tune in CFRB 10.30 p.m.; Thursday, Friday and Saturday

Labatt's

PUBLISHED IN THE PUBLIC INTEREST BY JOHN LABATT LIMITED

ALBANY RIVER
GOLD MINES LIMITED
(No Personal Liability)

Notice to Shareholders to exchange certificates for shares of
PICKLE CROW GOLD MINES LIMITED

Notice is hereby given that a distribution of [illegible] is being made to the shareholders of Albany Rive[illegible] Limited whereby each shareholder of Albany [illegible] share of Pickle Crow Gold Mines Limited for e[illegible]es of Albany River Gold Mines Limited held by h[illegible] in addition cash in an amount equal to forty cents Canadian funds for each one-tenth of a share of Pickle Crow Gold Mines Limited to which such shareholder would have been entitled on such distribution if fractional shares of Pickle Crow Gold Mines Limited were permitted.

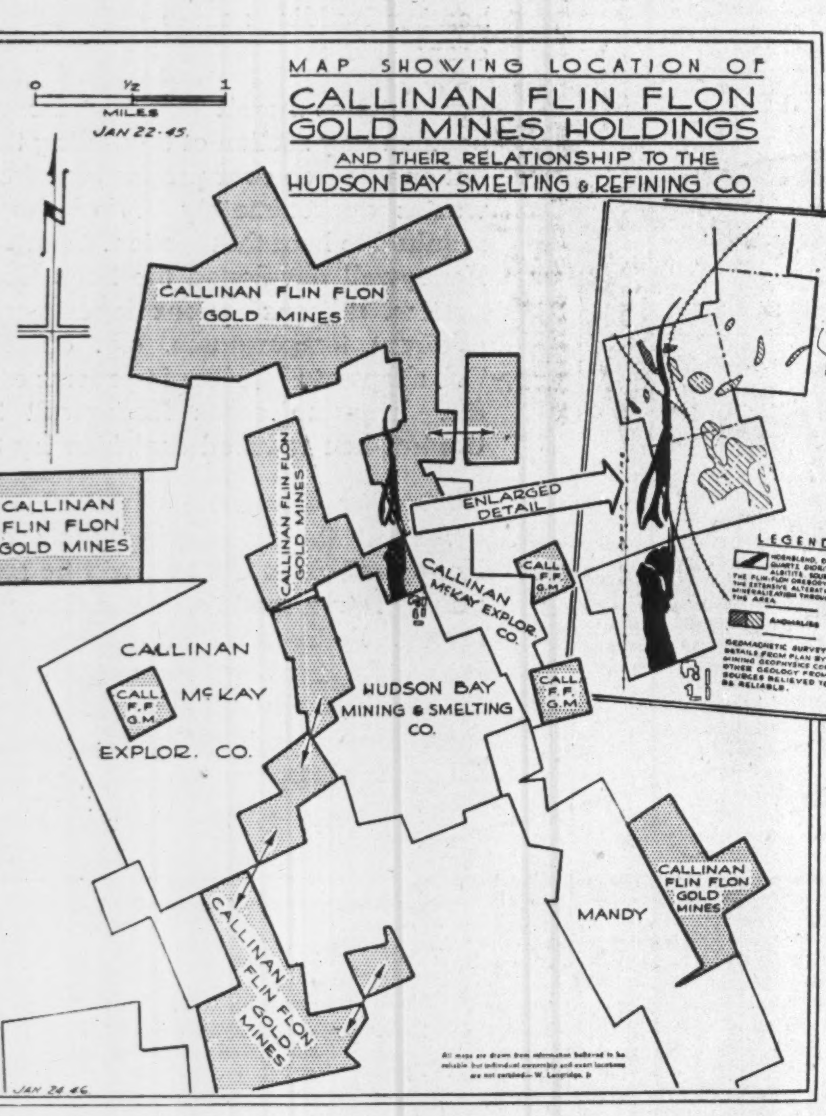
The Trusts and Guarantee Company Limited has been appointed trustee for the shareholders of Albany River Gold Mines Limited and has had delivered to it in trust the required number of shares of Pickle Crow Gold Mines Limited available for distribution upon presentation of certificates for shares of Albany River Gold Mines Limited.

A letter of transmittal and full instructions and information can be obtained from the undersigned. Where more than one certificate is required a fee of twenty-five cents must be paid for each additional certificate.

All shareholders are asked to communicate immediately with the undersigned. You are strongly urged to complete this exchange at the earliest possible moment and become recorded as a shareholder of Pickle Crow Gold Mines Limited.

DATED January 31st, 1946.

THE TRUSTS AND GUARANTEE COMPANY LIMITED
302 BAY STREET — TORONTO 1, ONTARIO
Trustee for the Shareholders of Albany River Gold Mines Limited.



CALLINAN FLIN FLON GOLD MINES, LIMITED
371 BAY STREET - - - - TORONTO, ONT.

ADEQUATE PROTECTION IS TRUE ECONOMY

Let Us Show You How!
HARRY PRICE INSURANCE AGENCIES LIMITED
15 KING ST. W. AD. 5064 TORONTO, ONT.

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OBALSKI 1945 LTD.
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W. McKenzie & Company
312 TEMPLE BUILDING • TORONTO • AD. 1038

Santa Maria Mines Limited
No Personal Liability

SILVER NUGGET

Now on exhibit in the Parliament Buildings, Toronto, from Block 32, Gillies Limit, claim No. 23663. Weight 1,424 lbs. Fine Silver (calculated) 11,001 ounces Troy or 754 lbs. Avoirdupois.

Informational Bulletin, together with Engineer's Report and a reproduction of the Silver Nugget sent upon request.

Santa Maria Mines Limited
MONTREAL TRUST BUILDING,
TORONTO, CANADA - TELEPHONE: WAVERLEY 5831

46-7

Intelligent Employment of "Risk Capital"

We are the sponsors of the following Mining companies

☆

IN RED LAKE

Campbell Red Lake Mines Limited
Dickenson Red Lake Mines Limited
Brewis Red Lake Mines Limited
Clicker Red Lake Mines Limited
Macfie Red Lake Mines Limited
Detta Red Lake Mines Limited
Dorion Red Lake Mines Limited
Lake Rowan (1945) Mines Limited

☆

IN BOURLAMAQUE-LOUVICOURT

Mylamaque Mines Limited
Petitclerc Mines Limited
Tasmaque Gold Mines Limited

☆

A new map of the Red Lake Mining Area will be mailed on request.

We cannot emphasize too often that participation in a new mining issue should be strictly an investment from that portion of one's capital, savings or income, that can be classed as RISK CAPITAL.

Well worth considering as a Risk Capital Opportunity is

LAKE ROWAN
(1945) MINES LIMITED

This company acquired its properties from Lake Rowan Gold Mines Limited in August, 1945. The original company spent over $250,000 in sinking a three-compartment shaft to 415 feet, with three levels,—on a high-grade ore shoot. Seventeen thousand tons of ore averaging over $15.00 per ton over a width of 36″ are reported to have been developed.

Unfortunately the original company, due to lack of finances, had to suspend work in the early part of the War, and fire destroyed most of the buildings and equipment on the property. Re-organization was, therefore, necessary.

Early in 1945 this firm was approached to undertake a re-organization, financing and development program. As a result LAKE ROWAN (1945) MINES LIMITED was incorporated and has now received over $140,000 in cash.

With greatly increased knowledge of the Red Lake area, our geological staff made a preliminary examination which revealed no fewer than eight additional carbonate and shear zones (including one shear zone 8500 feet long) from which grab samples yielded from 38c. to $22.70.

The company has contracted for Hydro power which should be available the early part of the summer when it is expected the present shaft will be de-watered. Diamond drills have been flown to the property to carry out an extensive program on one of the more important carbonate zones.

It is our opinion that the shares of this company offer excellent RISK CAPITAL opportunity.

"ONE GOOD INVESTMENT WORTH A LIFETIME OF LABOUR"

BREWIS & WHITE
200 Bay Street, Toronto — Telephone *Elgin 7225

J. M. BREWIS A. W. WHITE

Radiant Heating Gains Public Favor; Expect Research to Cut Cost Margin

By CLIVE CHATTOE

In a corner of Ottawa's big "research city," two small buildings are going up side by side. They are being built expressly for Canada's first official large-scale test of radiant heating, under direction of Dr. C. D. Nevin, chief of National Research Council's physics dept.

Consumers, however, have beaten Dr. Nevin to the draw. Already, according to the year-old radiant heating division of Page-Hersey Tubes Ltd., there are in Canada somewhere around 25 such installations in operation—18 of them in homes. Actively proposed, according to Page-Hersey, maker of a continuous-weld pipe widely used in such installations, are another 25 or 30, with houses in about the same proportion and including at least two proposed factory-built "prefab" houses, factories, warehouses, garages, schools, hospitals, churches and memorial community centres.

Page-Hersey says it has received 70 enquiries a day, mostly from householders and intending builders, since launching a radiant heating advertising campaign last October.

"The Canadian heating industry is beginning to be swamped by new interest in radiant heating," one engineer told The Post.

Under construction or in planning stages, according to another, are perhaps a dozen new houses ranging in value as low as $10,000 and high as $35,000, with radiant heating. He estimated that perhaps six of these were houses to cost under $16,000, perhaps three under $12,000.

Cost margin over ordinary heating in the smaller house is reported shrinking in response to research. Several heating engineers boldly predict this margin will be wiped out by 1947 or 1948 in houses costing as low as $5,000 or $6,000.

Northern United States reportedly has about 5,000 radiant heated houses, with use of the system expanding rapidly as postwar building gets under way.

Called Healthier, Pleasanter

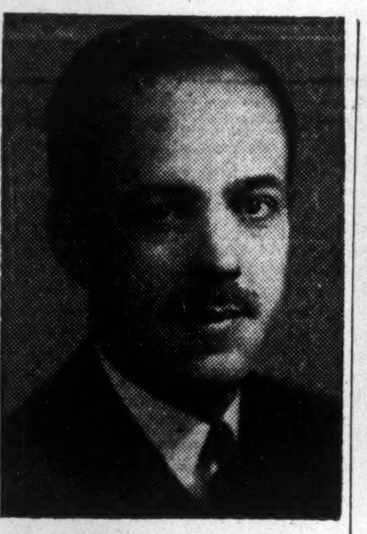
Radiant heating eliminates radiators, registers, air vents and other visible signs of a heating system. Instead, the floor, ceiling or wall is itself the heat radiator, containing (embedded in the structure) a wide-area pipe network which carries warm, not hot, water from standard boilers utilizing standard fuels.

Heating engineers interviewed by The Financial Post say radiant heating is the best way to keep houses and many other types of building warm and comfortable. They explain that heat, so radiated, warms only solid objects, such as people, floors, walls, furniture, and leaves the air in the room relatively cool. This saves money, because air is hard to heat. The "cool" air, like the air on a sunny fall day, is bracing.

Radiant heating "solves the cold-floor, hot-ceiling problem, provides uniform room temperature floor to ceiling, eliminates drafts and dust flow caused by air currents usually experienced with other forms of heating."

Installation cost — Right now "somewhat higher" than standard hot water heating, is consensus of experts interviewed by The Post. For large houses, say, $35,000 and up, radiant heating is said often cheaper. But for the average 6-room house, say, $9,000 to $18,000, the cost margin over ordinary radiation may range up to 15% though often well below that figure, it is said. Formula seems to be: "the larger the job, the narrower the cost margin over standard heating." Expectation is that current research may shave this margin to a vanishing point for any size of structure within a year or 18 months.

Fuel consumption—Radiant heating "seldom if ever" uses more fuel. Many U.S. engineers—a majority, according to one Canadian heating expert—flatly declared that radiant heating saves fuel. Somewhere there must be documentary evidence: radiant heating is no longer a novelty; and it uses water at 125 degrees instead of the 160 degrees or so required by the average unit radiator system.

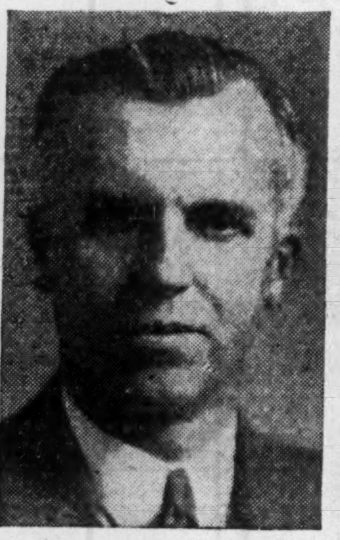


JEAN-PAUL GALIPEAULT

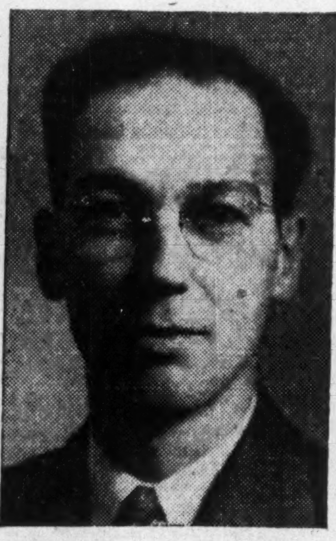
has been elected president of Quebec Brewers' Association.

CANADA LIFE APPOINTMENTS

R. C. BAIRD, C.A.



E. S. LINNEY, A.A.S.



J. D. MILNE, F.A.S.

The appointment of three Executive Officers has been announced by the Canada Life Assurance Co. R. C. Baird, formerly Supervisor of the General Accounts department, becomes Internal Auditor. E. S. Linney, formerly Supervisor of the Statements and Taxes department, becomes Executive Assistant. J. D. Milne, formerly Mathematician, is now Assistant Comptroller.

COMPANY REPORTS

CROWN CORK & SEAL CO retained net profit for 1945 declined 4.4% from the previous year.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$611,474	$588,418
Less: Income tax♦	342,311	355,877
Employees pensions	49,250	......
Add: Invent. res. adj.	3,000	......
Net profit*	222,913	232,541
Less: Dividends	200,000	200,000
Surplus for year	22,913	32,541
♦Incl. refund. EPT	37,047	40,046

*Note: Co's. report incls. ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$2.23	$2.33
Incl. ref. EPT	2.60	2.73
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$344,948	$533,317
Accts. rec.	150,358	147,269
Inventories	735,592	681,887
Total curr. assets	1,230,898	1,362,473
Investments	26,385	19,912
Misc. assets▲	161,358	121,988
Fixed assets*	570,270	513,847
Goodwill, patents, etc.	2	2
Total assets	1,988,913	2,018,222
Bank loan	......	100,000
Accts. & tax. pay.	309,695	295,963
Total curr. liab.	309,695	395,963
Invent., cont. res.	72,000	75,000
Capital stock	695,000	695,000
Distributable surp.	75,000	75,000
Earned surplus▲	837,218	777,259
*After deprec. of	571,315	546,349
▲Incl. refund. EPT	150,513	113,466
Working capital	921,203	966,510

BRUCK SILK MILLS LTD. shows retained net profit increase of 32.8% for year ended Oct. 31, 1945. Value of fixed assets after reappraisal as at April 29, 1944, plus subsequent additions and less retirements and depreciation, is shown as $2,439,788 at Dec. 31, 1945 ($752,853, for 1944). Goodwill has been written down to the nominal figure of $1 ($105,176 a year earlier). Surplus arising from these changes, $1,661,859, has been set up in the balance sheet as capital surplus. Company retired the balance of its 6% first mortgage bonds on Nov. 1, 1945, maturity date. Payments of federal income tax account followed determination of its standard profits and repayment of Commodity Prices Stabilization Corporation subsidies, which latter resulted in a reduction of income tax payable.

The company has entered into a contract with the City of Sherbrooke, Que., for the construction of a new plant. The city is erecting a manufacturing building valued at approximately $300,000, which has been leased by the company for 15 years, company retaining the right to purchase land and building at any time.

INCOME ACCOUNT

Years Ended Oct. 31:	1945	1944
Net earnings§	$851,340	$820,492
Less: Bond int.	24,655	24,680
Depreciation	159,728	172,066
Inc. tax res.♦	579,882	558,218
Net profit	87,075	65,528
Common divd.	62,500	50,000
Surplus for year	24,575	15,528
♦Incl. refund. EPT	108,958	98,672

§Incl. other income (net).

Times Bond Interest Earned:		
Before deprec.	34.53	33.25
After deprec.	28.05	26.27
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.70	$0.52
Incl. ref. EPT	1.80	1.31
Paid	0.40+0.10	0.40

CONDENSED BALANCE SHEET

As at Oct. 31:	1945	1944
Cash & Dom. bds.	$52,637	$312,338
Accts. rec.	165,350	249,628
Life insur., etc.	166,214	153,475
Inventories	1,287,939	1,216,519
Total curr. assets	1,672,140	1,931,960
Misc. assets▲	346,509	218,262
Fixed assets*	†2,439,787	752,853
Trademarks, etc.	1	105,176
Total assets	4,458,437	3,008,251
Bank loans	75,000	......
Accts. & tax. pay.	773,665	583,828
Total curr. liab.	848,665	583,828
Funded debt‡	......	379,300
Conting. reserve	144,034	374,778
Capital stock	787,500	787,500
Capital surplus	1,661,860	......
Earned surplus▲	1,016,378	882,845
Contingent liab.	*310,820	247,815
▲Incl. refund. EPT	253,725	144,767
*After depr. of	†1,054,575	1,670,940

†As reappraised Apr. 29, 1944.
‡Retired at maturity Nov. 1, 1945.
*Trade paper under disc. $243,316; EPT on invent. res. $57,205; guar. of mtges. on employ. homes $10,299.

Working capital	823,475	1,348,132

EASTERN CANADA SAVINGS & LOAN CO. during 1945 advanced $1,750,000 received repayments amounting to $1,250,000, showing a net increase of approximately a half million dollars. Increase in volume made it possible to pass on to borrowers a general reduction in interest. Net earnings for the year were $132,953, an increase of 2.9%. Real estate held for sale has been reduced to $2,302. Agreement to acquire and take over assets and liabilities of Mortgage Corp. of Nova Scotia was completed April 2, 1945. By-laws of the company have been changed and, when ratified by shareholders, will permit the company to increase debenture issued and deposits received.

	1945	1944
Liab. to public*	$5,316,884	$4,048,502
Shareholders' equity	1,222,882	1,217,193
*Secured by:		
Mtges. & sls. agree.	5,530,025	3,857,072
Realty for sale	2,302	6,226
Office premises	38,217	37,025
Liquid assets♦	969,222	1,365,372
Total	6,539,766	5,265,695
♦Includes stocks and bonds.		
Earned per share	$6.76	$10.32
Paid	[illegible]	[illegible]

HAHN BRASS CO. new issue of 15,000 $1 cumulative participating preferred stock is being offered by Bankers Bond Corp. Price $18½ a share to yield about 5.40% includes a bonus of 1 common share with each 5 preferred shares.

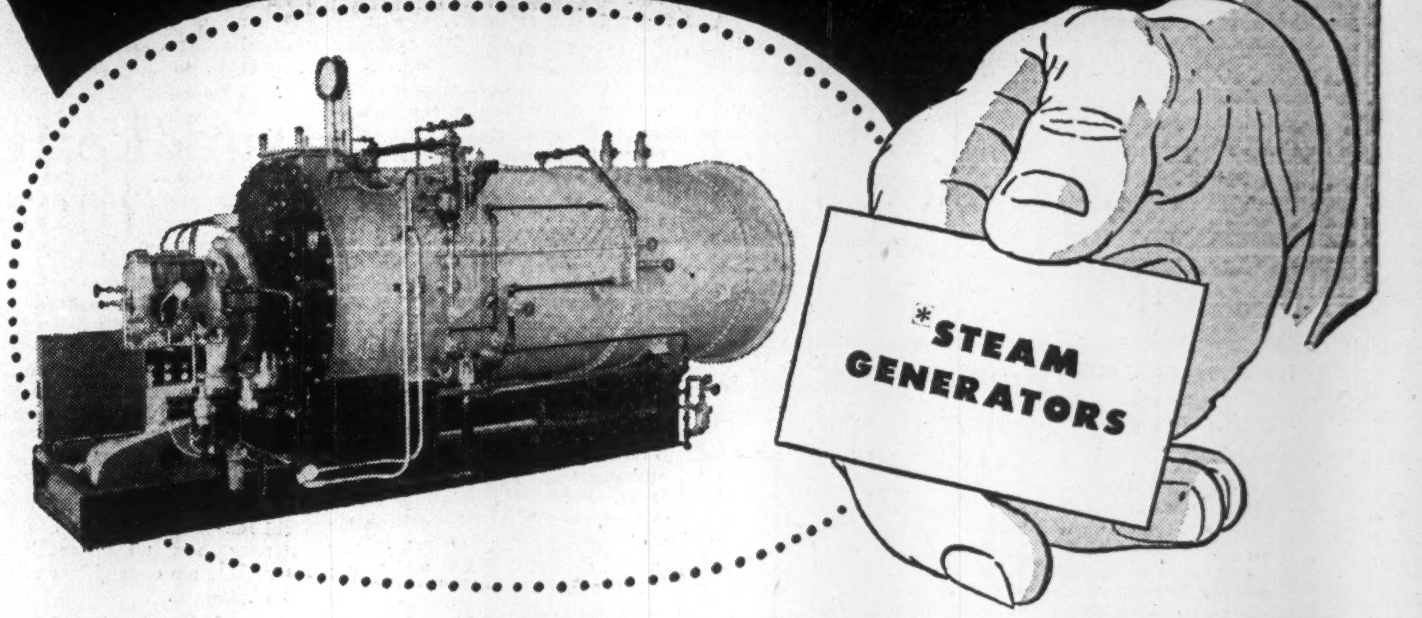
Founded by the Hahn family in New Hamburg, Ont. in 1900, the company was a pioneer in brass manufacturing. It is said to be one of the largest industries of its type in Canada with sales agencies in Toronto, Montreal and Winnipeg and exporting connections in 36 foreign countries. Products include a wide variety of furniture and shelf hardware, hinges, trunk and luggage fixtures, kitchen cabinets, refrigerator and vestibule hardware, brass and steel stampings, brass and iron castings and other brass, copper and steel products.

Earnings for the year ending June 30, 1945, were equal to $1.43 excluding or $1.60 including refundable EPT for each preferred share. Current year's earnings are expected to equal or exceed last year's, according to the prospectus.

President is A. F. Hahn, vice-president and general manager, L. W. Hahn; secretary-treasurer, Robert L. Hahn.

TOWN OF ST. THERESE, P.Q., has sold $70,000 3% serial 25-year bonds to Savard Hodgson & Co., Inc., at 100.53; average interest cost to the municipality, 2.952%.

ANNOUNCING THE APPOINTMENT OF
THE Waterloo
MANUFACTURING COMPANY LIMITED
AS ONTARIO AGENTS FOR
Cleaver-Brooks STEAM GENERATORS



THE Waterloo Manufacturing Co. Limited with its nearly one hundred years of experience serving Canadian Industry and in manufacturing steam boilers, is in a position to give prompt and efficient service in the selection of new and servicing of existing steam boiler installations.

Features of Cleaver-Brooks Steam Generators now available through the Waterloo Manufacturing Company include:

80% THERMAL EFFICIENCY GUARANTEED — The Cleaver-Brooks unit is guaranteed to operate at 80% thermal efficiency, with low fuel cost.

LOW MAINTENANCE COST — The internally fitted, unusually small, but ample set of firebrick requires minimum inspection and maintenance.

SPEED OF INSTALLATION—"Packaged" steam generators are shipped ready for installation as complete units.

CENTRALIZED RESPONSIBILITY—The boiler, integral oil burner and controls are built into one complete assembly.

SPACE-SAVING DESIGN—20% to 50% more steaming capacity in a given space than other types of boiler equipment.

NO HIGH STACK REQUIRED—The motor driven, pressure atomizing type blower-burner requires no stack for draft.

CLEAN BOILER ROOM—Smoke, ashes, clinkers and soot are entirely eliminated by the highly efficient oil burner. Boiler room may be kept spotlessly clean.

Write or 'Phone Today—for printed information and complete details.

Waterloo
MANUFACTURING CO. LIMITED — WATERLOO, ONTARIO

Brought to Bay in
COSTA RICA

::: it's a distant land but nevertheless the ammunition may well be Canadian-made "Dominion". For these shot shells and metallics, in addition to their acceptance all over Canada, have for years found their way to many other markets, such as Mexico, Cuba, South America, Australia, New Zealand, Iceland, Greenland and Newfoundland.

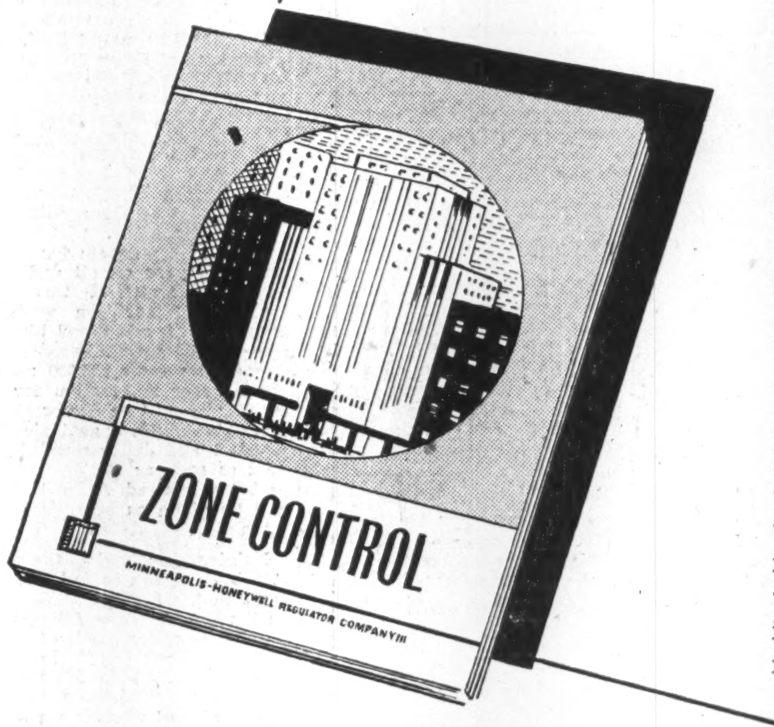
At home in Canada, "Dominion" Ammunition has long been the sportsman's favourite. It has contributed to his pleasure; stood by him in emergency ... a thoroughly dependable product developed through more than 60 years of manufacturing experience.

SERVING CANADIANS C-I-L THROUGH CHEMISTRY

Here's a practical booklet for executives who want to know all the answers on heating buildings more efficiently and economically.

For instance here's one fact from the booklet: any section of a building that is but one degree over proper temperature wastes approximately 3% of the fuel required to heat that section. That's why Honeywell developed the Zone Control System. It keeps various departments at different temperatures, e.g. offices at 72°, shops at 67°, shipping rooms at 55°, etc. In some cases Honeywell Zone Control has reduced fuel bills by 31%.

Your copy of our new booklet, which gives all the fuel-saving facts about Honeywell Zone Control, will be sent to you by return mail if you use the coupon to-day. Better still, our engineers will make a free survey of your buildings and tell you how much fuel you can save by installing Honeywell Zone Control. So fill in the coupon now.



MINNEAPOLIS
Honeywell
TEMPERATURE CONTROLS

Minneapolis-Honeywell Regulator Co. Ltd.,
117 Peter Street,
Toronto, Ontario.

Gentlemen:

Please send me a copy of ZONE CONTROL. ☐

Please survey my building for Zone Control without obligation as advertised in — Financial Post, Feb. 23. ☐

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COMPANY ....
ADDRESS ....
CITY ....